

pose of limiting the amount of compensation paid by common carriers by railroad which may be charged to operating expenses; to the Committee on Interstate and Foreign Commerce.

By Mr. BUTLER: A bill (H. R. 12976) authorizing the payment to the Snake or Piute Tribe of Indians of Oregon of damages for the restoration of certain lands to the public domain; to the Committee on Indian Affairs.

By Mr. LEA: A bill (H. R. 12977) to amend section 808 of Title VIII of the revenue act of 1926, as amended by section 443 of the revenue act of 1928; to the Committee on Ways and Means.

By Mr. CELLER: A bill (H. R. 12978) to provide for the immediate payment of the face value of their adjusted-service certificates to veterans who are unemployed and in need; to the Committee on Ways and Means.

Also, a bill (H. R. 12979) to provide for the payment to veterans of the present value of their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. TINKHAM: Resolution (H. Res. 286) authorizing the Attorney General to investigate all the circumstances surrounding the alleged pool of 700,000 tons of sugar from the American market; to the Committee on the Judiciary.

By Mr. SIMMONS: Joint resolution (H. J. Res. 477) to amend the World War veterans' act, 1924; to the Committee on World War Veterans' Legislation.

By Mr. JOHNSON of South Dakota: Joint resolution (H. J. Res. 478) to amend the World War veterans' act, 1924; to the Committee on World War Veterans' Legislation.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLACK: A bill (H. R. 12980) for the relief of William H. Holmes; to the Committee on Claims.

By Mr. BRUNNER: A bill (H. R. 12981) conferring jurisdiction upon the Court of Claims to hear and determine the claims of the International Arms & Fuze Co. (Inc.); to the Committee on War Claims.

By Mr. ENGLEBRIGHT: A bill (H. R. 12982) granting a pension to Caddie Knight; to the Committee on Pensions.

Also, a bill (H. R. 12983) granting a pension to Julie Allen; to the Committee on Invalid Pensions.

By Mr. LUDLOW: A bill (H. R. 12984) granting a pension to Clarence E. Crane; to the Committee on Pensions.

By Mr. NELSON of Wisconsin: A bill (H. R. 12985) granting an increase of pension to Lucretia L. Gibbons; to the Committee on Invalid Pensions.

By Mr. PETTENGILL: A bill (H. R. 12986) granting a pension to Mike B. Kowalski; to the Committee on Pensions.

## SENATE

FRIDAY, JULY 15, 1932

(Legislative day of Monday, July 11, 1932)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The PRESIDENT pro tempore. The question is on agreeing to the motion proposed by the Senator from Vermont [Mr. Austin] that the Senate proceed to the consideration of House Joint Resolution 154, to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes.

Mr. HOWELL obtained the floor.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Bingham	Bulkeley	Connally
Austin	Black	Bulow	Costigan
Bailey	Blaine	Byrnes	Couzens
Barbour	Borah	Capper	Dale
Barkley	Brookhart	Cohen	Davis

Dickinson	Hebert	Moses	Smoot
Dill	Howell	Neely	Steiwer
Fletcher	Johnson	Norbeck	Stephens
Frazier	Jones	Norris	Thomas, Idaho
George	Kean	Nye	Thomas, Okla.
Glass	Keyes	Patterson	Townsend
Glenn	King	Pittman	Trammell
Goldsbrough	La Follette	Reed	Tydings
Gore	Lewis	Robinson, Ark.	Vandenberg
Hale	Long	Robinson, Ind.	Wagner
Harrison	McKellar	Schall	Walcott
Hastings	McNary	Sheppard	Walsh, Mass.
Hatfield	Metcalf	Shipstead	Watson
Hayden	Morrison	Shortridge	

Mr. GLASS. I wish to announce that my colleague the senior Senator from Virginia [Mr. SWANSON] is absent on official business in attendance upon the Geneva Naval Conference.

The PRESIDENT pro tempore. Seventy-five Senators having answered to their names, a quorum is present. The Senator from Nebraska [Mr. HOWELL] has the floor.

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. HOWELL. Mr. President, I yield to Senators who have risen to present routine business.

#### REPORT ON PROHIBITION

Mr. SHEPPARD. Mr. President, I present for publication in the RECORD a report adopted by the Board of Temperance and Social Service of the Methodist Episcopal Church, South, at the annual meeting of the board on July 8, 1932.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The report is as follows:

REPORT ON PROHIBITION ADOPTED BY THE BOARD OF TEMPERANCE AND SOCIAL SERVICE OF THE METHODIST EPISCOPAL CHURCH, SOUTH, AT THE ANNUAL MEETING OF THE BOARD ON JULY 8, 1932

#### HISTORIC POSITION OF METHODISM

The warfare between Methodism and traffic in intoxicating liquors is inevitable and irrepressible. Our founder, John Wesley, branded the dram sellers of his day as "poisoners general," and his true followers to-day recognize the traffic as being the greatest public enemy of the individual, the school, the home, and the church. It is not a question of Puritanism or forcible individual repression, but of the "general welfare," of the right of society to protect itself from the alcoholic indulgence of individual citizens. Whatever form the warfare may assume, whatever be the particular battle in the war, the issue is always fundamentally between the selfish appetite of the drinker and the greed for gold of the seller on the one hand, and the protection of the individual, the home, and society on the other.

#### LIQUOR TRAFFIC CRIMINAL

United Methodism the world round declares to-day that the brand of the criminal should be placed upon a traffic which changes normal men and women into silly, reckless fools, and crazy, dangerous brutes, and thus not only destroys them individually but makes them a burden and menace to the entire social order. The killing of 35,000 and the maiming of nearly 1,000,000 persons in automobile accidents furnishes the basis for simply one unanswerable social protest against any relaxation of the prohibition law. During the past half century of warfare to remove the strangle hold of the liquor traffic upon the industrial, political, social, and domestic life of the Nation, Methodism has ever been in the forefront of every battle, and Methodist pulpits, Methodist district, annual, and general conferences have recorded relentless opposition to the traffic and invincible determination to outlaw it as the common enemy of the race. Whatever other church, social or political groups may say or do, Methodism will not lower her standards or agree to give a legal status to the traffic in intoxicants anywhere under the flag.

#### POSITION OF METHODIST EPISCOPAL CHURCH, SOUTH

Before and since the adoption of the eighteenth amendment the general conference of the Methodist Episcopal Church, South, has declared its approval of that amendment, and since 1920 its opposition to any modification or repeal. In 1930 the general conference at Dallas, Tex., adopted unanimously the report of the committee on temperance presented by Josephus Daniels, of North Carolina, chairman, and A. D. Betts, of South Carolina, secretary, in which report it was declared:

"We firmly set our faces against any recession from the constitutional outlawry of the liquor traffic. We highly resolve to enlist our every power to retain in full force the eighteenth amendment and all laws of State and Nation for its observance and enforcement. We will never surrender the advance made for national sobriety. We would add our clear and definite affirmation of the clear and inalienable right of every member of our church, whether minister or layman, to oppose and to vote against any candidate from constable to President who fails to stand for the principles herein advanced and approved. We urge our people to select public officers who believe in the enforcement of the law, not only because prohibition is the law but because it ought to be the law."

At every national political convention since the ratification of the eighteenth amendment in 1920 representatives of our board have appeared and stated to the committee on resolutions of the conventions the position of our general conference that prohibition is a nonpartisan question, and they have opposed the adoption of any prohibition plank, wet or dry, asking simply for a law enforcement plank, and from 1920 to 1928, inclusive, the conventions of both parties took the action requested. The leadership and work of the board, which include these representations, was specifically approved by the general conference of 1930.

For the first time in 1932 both the major political parties have made platform declarations on prohibition, against vigorous protests of the combined dry organizations of the country, our board included, which insisted that prohibition be not made the subject of national political party action. We are now faced, therefore, with an entirely new phase of prohibition warfare and must adjust our program to the changed conditions. What are the facts?

#### REPUBLICAN PLATFORM

The Republican platform pledges the party to efficient law enforcement, opposes any form of attempted nullification, sets forth the futility of so-called referendums, emphasizes that prohibition is not a party political issue, that no public official (which includes President, Vice President, Senators, Congressmen, State legislators) nor any members of the Republican Party are bound by the convention's action on this question; declares that the progress and the gains which have already been made in dealing with the evils inherent with the liquor traffic must be preserved and the evils eliminated, and declares that the convention does not favor submission of the question of retention or repeal of the eighteenth amendment without a substitute therefor, the substance of which substitute is set forth in the resolutions adopted, and finally declares that Congress should submit the proposed substitute in order that the people be given the opportunity to decide whether they will retain the eighteenth amendment unchanged or will ratify an amendment which will permit the several States to legalize the sale of intoxicants, such legislation, however, to be subject to the power of the Federal Government to protect those States where prohibition exists, and to safeguard the citizens everywhere from the return of the saloon and its attendant evils. The platform indicates no preference between the eighteenth amendment and the proposed substitute, but leaves the decision of that question to be determined by the people without any recommendation by the convention.

Should the amendment proposed by the Republican Convention be ratified by the people, while it is true that the States will have power to legalize the liquor traffic, this power would be subject to the declared duty of Congress to protect those States where prohibition exists, and furthermore the Constitution itself would positively forbid the return of the saloon.

Briefly, therefore, the Republican platform takes no position for or against the repeal of the eighteenth amendment, but does oppose repeal without constitutional safeguards against the saloon and the violation of the rights of the States.

#### THE DEMOCRATIC PLATFORM

The Democratic platform declares that it favors the repeal of the eighteenth amendment, the immediate submission by Congress of a resolution to effect such repeal, the immediate modification of the Volstead Act, to legalize beer and other beverages permissible under the Constitution, to provide proper and needed revenue, urging the States to enact measures to prevent the return of the saloon, and to bring the liquor traffic under the complete supervision and control of the States, and also demanding that the Federal Government effectively exercise its power to enable the States to protect themselves against the importation of intoxicating liquors in violation of their laws.

The Democratic platform makes no reference to enforcement of the prohibition law nor any statement that prohibition is not a partisan political issue, absolving members of the party from any obligation to be bound by the prohibition plank, which plank is therefore as binding as any other part of the platform.

Briefly, should the prohibition amendment proposed by the Democratic Convention be ratified by the people, the legal status of the liquor traffic would be exactly the same as obtained before the ratification of the amendment, with no Federal constitutional guaranty against the return of the saloon.

#### RIGHTS OF CONSCIENCE

Any attempt by any party platform declaration to bind the members of that party on a moral issue is a distinct invasion of the moral realm and is, therefore, not only an indefensible infringement of the rights of conscience, but a gross insult to independent citizenship. Such action will be repudiated by conscientious men and women throughout the country, and this entirely apart from prohibition. It is amazing that such action should have been permitted without vigorous persistent protest. Even though doomed to sure defeat by intolerant wet fanaticism, as voiced from the floor and the galleries, this attempt by political convention, to bind the attitude and action of members of a party on a great moral question, should have been denounced and resisted to the limit and a recorded aye and nay vote demanded, before such unprecedented action was finally taken.

#### WHAT FOR THE FUTURE?

Endeavoring to meet the obligation laid upon this board by the general conference action, we emphasize:

1. That the general conference declared in 1930 with the full knowledge of the facts that the eighteenth amendment is the expression of the determination of the social conscience of the Na-

tion embodied in the organic law by the constitutional process, by the votes of Congressmen, Senators, and State legislators, all elected by the people, when prohibition was declared by both parties to be a nonpartisan question.

2. The question of the retention, modification, or repeal should likewise be determined by vote of the people in senatorial, congressional, and legislative elections as a nonpartisan question.

3. The responsibility of individual citizens to their country and their God for their votes in the election of President, Senators, Congressmen, and State legislators can not be evaded and can not be altered one whit by any party platform. Moral principles are always paramount to any political allegiance, just as conscience and God tower above political-party dictum and human leaders.

4. In harmony with the declaration of the general conference that in all elections from constable to President, our people should vote for men and women who believe that prohibition ought to be the law, we urge our people to meet unwaveringly the serious obligation which has been thrust upon them in the coming election for President, Senators, Congressmen, and State legislators by voting for those candidates only, who believe that prohibition ought to be the law, and by opposing openly and vigorously the proposals which have been made for modification or repeal of the eighteenth amendment, and the weakening of the Volstead Act.

5. That our people may have clear, definite information as to the attitude on prohibition of all candidates, for President, Senators, Congressmen, and State legislators, we strongly advise that individual citizens or groups of citizens make public inquiries of all such candidates, as to their attitude on the question of modification or repeal of the eighteenth amendment or the weakening of the Volstead Act or of State prohibition enforcement laws, and requesting public reply to the same. We advise that such questions be asked and answers demanded, even though candidates have already been nominated in primaries, or are without present or proposed opposition, in order that the position of such candidates may be clearly indicated upon which to base action in the present and in future elections.

#### PRESENT SITUATION

The situation to-day is very different from that in 1928. Then the contest revolved around the personal attitude of two candidates for the presidency on the question of prohibition. To-day, while again the personal attitude of the two presidential candidates will be involved, the platforms of the two parties are to be carefully compared and most important of all, Senators, Congressmen, and State legislators are to be chosen. Despite the furious assaults of wet fanatics, the continued false wet propaganda and the action of political-party conventions, we believe that a majority of the people of the Nation are opposed to modification or repeal of the eighteenth amendment, and that they still believe that the best method of handling the traffic in intoxicating liquors is by branding it as criminal, which it truly is. We desire better observance of the law by the people and better enforcement by the State and National Governments, and we urge the provision by States and Nation of whatever men and money may be necessary for more efficient prohibition enforcement.

Proof of the benefit of the eighteenth amendment is evidenced by governmental records, social-welfare agencies, and other authoritative sources. The money formerly spent in saloons has since their abolition been spent not only for necessities but for comforts and pleasure. The same dime can not be spent for beer and bread. The legalization of the liquor traffic means the practical return of the saloon, for whatever method of distribution is adopted the family income will be depleted in spending for booze instead of shoes.

We are faced to-day with the practical question, Shall the wet cities with their large foreign-born population, dominated by a hybrid leadership opposed to prohibition, with a wet metropolitan press, subservient to its wet city circulation and advertisers, with millionaires spending large sums for the return of the liquor traffic, admittedly to relieve themselves of taxation by shifting it to the women and children of the homes of the poorer citizens, with groups of high-society women clamoring for cocktails, as over against the positive, unimpeachable opposition of sacrificial workers like Evangeline Booth and Jane Addams, with the side-walks of New York, Chicago, and similar groups in other cities howling down and overpowering free speech in public representative conventions without any rebuke or protest from high educational and senatorial wet leadership; shall such groups by persistent, unfair, false propaganda and unscrupulous use of party machinery be permitted to determine the policy of our great Nation on this great moral, social question, and in a wave of unreasoning wet hysteria strike from the Constitution the greatest moral, social enactment by any nation in any age? We appeal to the manhood and womanhood of America, to the lovers of children and homes to stand unshaken and meet their responsibility, as Christian citizens, by voting for men who will refuse to remove the brand of the criminal from the traffic in intoxicating liquors. We are in the midst of a great battle in a great warfare in which warfare Methodism will not betray her consistent history, but here and now declares to all the world that in this war there will be no surrender, no retreat, no compromise.

JAMES CANNON, Jr., *Chairman.*

EUGENE L. CRAWFORD, *General Secretary.*

#### UNEMPLOYMENT AND UNEMPLOYMENT RELIEF

Mr. COSTIGAN. Mr. President, the question of unemployment—on farms, in factories, of veterans, and many others—transcends in immediate importance all other legis-



lative problems now before Congress. The executive council of the American Federation of Labor, meeting in Atlantic City on July 11, adopted resolutions on this issue justly and wisely urging Congress not to adjourn without adopting more fundamental legislation than any so far enacted or considered. I send to the desk an article published in the New York Times of July 13, 1932, detailing the position of federation leadership, with the request that it be referred to the Committee on Manufactures and printed in the RECORD.

There being no objection, the article was referred to the Committee on Manufactures and ordered to be printed in the RECORD, as follows:

**LABOR ASKS QUICK AID ON JOBS BY CONGRESS—AMERICAN FEDERATION OF LABOR COUNCIL OPPOSES AN ADJOURNMENT UNTIL ADEQUATE RELIEF BILL IS ADOPTED—STRESSES "MORAL DUTY"—GREEN URGES HOOVER TO CALL CONFERENCE OF INDUSTRY TO CUT WORK TIME—FEARS CRISIS NEXT WINTER—NOTES SOCIAL UNREST AND REPORTS AVERAGE OF 23 PER CENT UNEMPLOYED IN FEDERATION TRADES**

By Louis Stark

ATLANTIC CITY, N. J., July 12.—The pressing problem of unemployment and unemployment relief was tackled to-day as soon as the first session of the semiannual meeting of the executive council of the American Federation of Labor got under way. Fortified by reports of widespread distress in all parts of the country and apprehensive as to the possible consequences of a mounting tide of social unrest next winter, the council declared it to be the "solemn duty" of Congress to remain in session to pass an adequate unemployment relief bill.

At the same time William Green, president of the American Federation of Labor, urged that President Hoover call a national conference of industry, representing all employing interests, to consider the critical aspects of the depression and to propose plans for immediate action. Such a conference, in Mr. Green's opinion, could definitely decide on the universal readjustment of the working time in order to distribute available work among the largest number of employees.

#### URGES NATIONAL ACTION

"Such a conference," Mr. Green declared, "could confer the benefit of the shorter work day and shorter work week on all employees on a national basis. Some companies have established the 5-day week for their employees already. By this means they divide up all available work among their own employees, but such action by a few companies has no national effect."

He appealed to industry to act "not only on economic but on patriotic and moral grounds."

"The unemployment emergency is as great as was the war emergency. The Nation must be saved," he continued. "If we can not give our people more work at once we can divide whatever work there is available among all and so gradually bring the unemployed into the ranks of the consumers again and perhaps start the wheels of industry going."

Mr. Green pointed out that there was an average of 23 per cent of unemployment among the trades affiliated with the federation, but that in some instances, such as in the building trades, the average was 62 per cent.

"Federal funds will have to be made available for the use of relief agencies to meet the acute situation next winter, for conditions at that time will be extremely bad," he added. "Local relief agencies have broken down and many States have exhausted their resources available for relief."

Referring to the recent unemployment riots in St. Louis and Detroit, he said responsible leaders were hoping to forestall similar incidents by the prompt use of funds for relief.

#### COUNCIL'S VIEWS SET FORTH

He then made the following statement in behalf of the council:

"Because the unemployment problem and the distress resulting from continued widespread unemployment are so serious, transcending all other questions in importance, the executive council gave it primary immediate consideration. The need for unemployment relief extended by the Federal Government has increased since Congress convened last December. More people are unemployed and greater distress exists than early in December when Congress began its session, and for that reason the executive council expressed the opinion that Congress ought not and should not adjourn until it passes an adequate relief measure.

"In the opinion of the executive council it is the solemn duty of Congress to remain in session to pass an unemployment relief bill that will meet the demands for food, clothing, and shelter for the unemployed and those dependent upon them during the coming winter. If Congress fails to do its duty in this respect, we are of the opinion that social unrest will increase and that economic and industrial conditions will become worse.

"The executive council registers its solemn protest against the adjournment of Congress before it has passed a relief measure wholly adequate to meet the urgent demands of the acute unemployment situation which prevails throughout the Nation."

#### INVESTIGATION OF SHORT SELLING ON STOCK EXCHANGE

Mr. NORBECK. Mr. President, I send to the desk a joint resolution covering the subject matter of the Senate resolution which I presented last night, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. Out of order, the joint resolution will be received and read for the information of the Senate.

The joint resolution (S. J. Res. 206) making available to the Banking and Currency Committee of the Senate certain information in the possession of the Treasury Department and the Bureau of Internal Revenue was read the first time by its title and the second time at length, as follows:

*Resolved, etc.,* That the Secretary of the Treasury is authorized and directed to make available and to furnish to the Committee on Banking and Currency of the Senate such information in the possession of the Treasury Department and the Bureau of Internal Revenue with respect to income-tax returns as may be called for and deemed necessary by such committee, or any duly authorized subcommittee thereof, or their duly authorized agents, pursuant to the investigation being conducted under Senate Resolution 84 as continued by Senate Resolution 239.

SEC. 2. For the purposes of this joint resolution such Committee on Banking and Currency shall have all the rights and privileges of a select committee of the Senate within the meaning of section 257 (b) (1) of the revenue act of 1926.

Mr. NORBECK. Mr. President, I ask unanimous consent for the immediate consideration of the joint resolution.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

#### MEMORIAL

The PRESIDENT pro tempore laid before the Senate resolutions in the nature of a memorial adopted by the General Eastern Young People's Society of Loyal Workers at its recent annual convention, Marion, Mass., remonstrating against the repeal or modification of the eighteenth amendment of the Constitution, which were referred to the Committee on the Judiciary.

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. MOSES:

A bill (S. 4981) granting an increase of pension to Eva A. Gill (with accompanying papers); to the Committee on Pensions.

By Mr. STEIWER:

A bill (S. 4982) to amend section 751 of the revenue act of 1932, relating to a tax on checks, etc.; to the Committee on Finance.

A bill (S. 4983) for the relief of Andrew J. McCallen; to the Committee on Military Affairs.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting several nominations, was communicated to the Senate by Mr. Latta, one of his secretaries.

#### FEDERAL HOME LOAN BILL—RADIO ADDRESS BY SENATOR HEBERT

Mr. HASTINGS. Mr. President, on June 13 the Senator from Rhode Island [Mr. HEBERT] delivered an address upon the bill which recently passed the Senate relative to home-loan banks. I ask unanimous consent to have it printed in the RECORD.

The PRESIDENT pro tempore. Is there objection?

Mr. ROBINSON of Arkansas. Mr. President, may I ask where the address was delivered?

Mr. HASTINGS. Over the radio in the Washington Star radio forum hour.

Mr. ROBINSON of Arkansas. Is it a political address?

Mr. HASTINGS. It is not.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Delaware is granted.



The address is as follows:

SPEECH DELIVERED BY SENATOR FELIX HEBERT OVER THE STAR RADIO FORUM HOUR AT 9:30 O'CLOCK P. M., WEDNESDAY, JUNE 13

To-night, through the courtesy of the Washington Star, I am privileged to speak on a subject of interest to most of you. I am asked to tell you about the Federal home loan bill which passed the Senate yesterday. It passed the House quite some time ago.

Perhaps one-half of my listeners own their own homes, and many others look forward to the day when they can call some house, however modest, their home.

Under present conditions many people fear that they will lose their homes, and, incidentally, the savings of a lifetime. I should like those people to listen to the message I have for them, a heartening message, I think they will agree when I am done. What I have to say will not affect the owner of an expensive home—but I do want the owner of the small, modest family home to listen to me while I tell him how Congress expects to assist him in easing his present burdens and relieving him of his anxieties.

Thousands of people who have borrowed money on their homes are having difficulty in meeting their contractual obligations. With the investors in the lending institutions withdrawing money, pressure is created which prevents the lending institutions from extending credit to the borrower. If these institutions had a source from which to secure funds on the mortgages they hold, they could assist the borrowers by carrying them along in times of depression like the present and show greater leniency as regards their mortgage payments, as well as in the payment of their taxes, their insurance premiums, and the necessary repairs.

Many homes are being lost through the calling or refusal to renew what are commonly called short-term mortgages; that is, mortgages that are not payable by installments over a considerable period of years. Owners who have never failed to pay interest charges are denied renewals and threatened with foreclosures as banks, trust companies, bank receivers, and insurance companies demand the return of their funds. For example, in 1931, 150,000 families lost their homes through foreclosures. In one city, with a population of one and one-quarter million people, the foreclosures upon homes in the year 1926 totaled 406; in 1927 there were 605; in 1928, 759; in 1929, 909; in 1930, 1,279; and in 1931, 1,555. It is believed that the operation of the home-loan bank system will remedy this situation and place at the disposal of the owner of a home valued at not more than \$20,000 sufficient funds so that he can prevent foreclosure and the consequent loss of his home. To-day the people of moderate means can not borrow to tide them through the vicissitudes of unemployment and the consequent reduction of income. Reasonable credit is practically unknown. Banks are unable to make further advances upon mortgages because they are not liquid and because of the demands that come to them from their depositors for withdrawal of their deposits. Hundreds of small banks, which have made a practice of loaning on real-estate mortgages and which have closed during the present period of depression, could have maintained their activities if they had had some means of raising money upon the mortgages which they held. In the case of building and loan associations, while they have been able to carry on—because of the peculiar nature of these institutions—yet they have had to disappoint thousands of their investors because they have been unable to return their savings within a reasonable time after notice. These home-loan banks would provide for such contingencies. Let me cite you an example to show you how they would operate in a given case.

Let us assume that a building and loan association or a savings bank has invested a considerable part of its deposits in home mortgages. The depositors are calling for the return of their funds. Necessarily the bank or building and loan association needs liquid assets to meet these demands. They must find a market for their mortgages, and if unable to do so they must cease making further advances or, as the last resort, call them in for payment as they mature. The mortgagors themselves—that is, the home owners—are without funds and are unable to pay. Unless some means can be found to provide funds to meet these demands the bank will be confronted with the necessity of closing its doors and applying for the appointment of a receiver. When a receiver is appointed he must proceed to liquidate the assets of the bank. He will sell the bank's mortgages if able to find a purchaser. If unable to do so, he must foreclose, and the home owner has no means of protecting his home. Now, with these home-loan banks in operation, when a situation like that arises, this same bank of which I have been speaking applies for a loan upon its promissory note with these good mortgages as collateral. It secures the necessary funds with which to meet the demands of its depositors. In addition, where conditions justify it, it will advance additional funds to its borrowers so that they in turn may keep their mortgages current, pay their taxes, their insurance premiums, and other incidental expenses until such time as normal conditions return and steady employment enables them to proceed with their customary payments.

The Federal home-loan bank legislation had its inception at a conference called by President Hoover on November 13 last, which was attended by a large number of representatives of various organizations, including building and loan associations, cooperative associations, home-loan banks, and real-estate concerns.

The conference recognized that the need for home-mortgage discount banks had been accentuated by the present economic conditions. There are upward of fifteen billions of mortgages outstanding on small homes in the United States. Nearly eight

billions of these are held by building and loan associations; the balance are held by banks, insurance companies, and private investors.

The history of mankind has shown that real estate is the basis of all wealth. Mortgages on properly improved real estate upon a valuation of 60 per cent of the property are the safest form of investment ever devised. It is a form of investment, however, which is subject to numerous handicaps.

First, it requires a knowledge of the value of real estate in each particular locality where a loan is to be made, and this information is not available to the ordinary investor. Second, real estate which is the basis of all wealth is a slow asset. In times of business depression the fact that mortgage loans are not liquid frequently works serious hardship on the home owner. When he goes to his bank to renew his mortgage he finds that the bank is pressed for cash and can not grant him an extension. Oftentimes he is unable to find the necessary funds elsewhere and the only course left for the bank is foreclosure, resulting many times in wiping out the entire equity of the home owner.

Let me outline to you the general structure of these proposed home-loan banks.

The home-loan bank system will consist of from 8 to 12 Federal home-loan banks in districts to be determined by a Federal home-loan board, consisting of five members, appointed by the President.

Building and loan associations, cooperative banks, homestead associations, savings banks, trust companies, and other banks with time deposits (except national banks), and insurance companies will be eligible for membership. The members will supply the permanent capital and they will be required to subscribe for stock equal to 1 per cent of the unpaid principal of the home mortgages held by each member, with a minimum subscription of \$1,500.

The board, that is, the body representing the Federal Government which will have oversight of all the activities of these banks, will determine the minimum capital of each of them, which, however, will not be less than \$5,000,000. The Government will subscribe to the original capital, but provision is made for the ultimate repayment of its entire subscription.

But, you may ask, how are these Federal home-loan banks to secure the funds to be loaned to their members? The answer is, through the issuance and sale of bonds to the general public. These bonds will be secured by the collateral which the members of the banks deposit as security for their loans, as well as by the notes of the members themselves, the collateral in every instance consisting of secure and safe real-estate home mortgages, with not less than 190 per cent of unpaid mortgage principal behind each dollar of bonds issued.

The board will prescribe rules and regulations for all bond issues and the general conduct of the banks. It has authority to approve the rates of interest to be paid by the banks upon their bonds, as well as upon the loans which they secure. The banks will be jointly and severally liable for all bonds issued by all the banks.

No Federal home-loan bank is to be permitted to transact a general banking business. Its function is confined solely to serving member institutions.

The act requires the banks to accumulate reserves at higher rates than are required in the Federal reserve system. The banks are exempt from taxation and are designated as depositories of public moneys, and their bonds are made legal investments for fiduciary, trust, and public funds.

Broad powers are given to the Federal home-loan bank board in regulating the activities of the banks and in providing for the orderly conduct of home-financing activities throughout the country. The board has powers of examination and can require periodical statements as well as examinations of Federal home-loan banks and their members. Necessary penalty clauses, etc., are provided.

There are 30,000,000 families in the United States, with 25,000,000 residential units and about 13,500,000 home owners. Extensive surveys show that home ownership has decreased in this country during the past 87 years. Thus in 1920 only 40 per cent of the families of the country owned their own homes.

Some erroneous impressions have arisen in the consciousness of many of our people as to the causes for the decrease in home ownership in the United States. For instance, in the course of the hearings before the Committee on Banking and Currency of the House of Representatives, one of the members asked a witness if he did not think the automobile had been a very strong competitor of the home. This is the reply which the witness made:

"I do not agree with you, Mr. Chairman. I think that the automobile has contributed more to home ownership than anything has that has come along. . . . It provides easy transportation out to the suburbs, . . . so that more people can live up to the old Anglo-Saxon idea of a detached house for every family."

Upon further questioning as to whether or not prior to the advent of the automobile people did not put their money into homes, whereas now the automobile and the garage have absorbed those funds, this witness, who, by the way, has made an exhaustive study of home ownership and the means to acquire homes and speaks with authority on the subject, replied that he did not agree with this proposition. He said: "It has provided cheap transportation for the second third, if I may so characterize it, of our family population, so that they could go out a distance of 2 or 3 miles where they could afford to have a home of their own;



and without transportation you can never put this Nation on a basis of home ownership. The automobile has contributed that. It has opened up vastly more land for homes which people can get out in the suburbs where they can live up to this old Anglo-Saxon idea of the detached house for every family."

I should like to explain to you in detail the working of the institutions which are to become members of these Federal home-loan banks; how they have assisted home owners; how they operate; and the spirit of thrift that has been cultivated by reason of their activities, but time will not permit me to do more than refer to one of these. I have chosen for the purpose of illustration the building and loan associations, sometimes called cooperative banks, not with the idea of magnifying their importance over other institutions which have been so active and so successful in encouraging the building of homes in our country, but because of the fact that they are organized to serve the needs of the town or city where they operate, and their activities are confined to the encouragement of thrift and the financing of modest homes.

The first building and loan association was organized in this country about 100 years ago. There are now 11,777 in operation, and they are to be found in every State in the Union and in the District of Columbia. They have a total membership of more than 12,000,000 persons, of whom approximately three-fourths are what are known as investing members, and the remainder are borrowers on mortgages upon real estate. Their total assets amount to nearly \$9,000,000,000, of which nearly 90 per cent is invested in mortgage loans.

The representatives of these institutions say that the home loan bill will aid them to function normally. It will do much toward salvaging homes, not so much those under mortgage in the building and loan associations, because they do not have any due date, and such mortgages are not due until they are paid off, but it will assist materially in the case of those obligations which mature on a definite date.

In the case of savings banks, particularly mutual savings banks, which have no capital stock and which pay no dividends except to their depositors, there again the volume loaned upon mortgages on real estate, particularly on modest homes, is very impressive, but these mortgages are due on a definite date.

The mutual savings banks have more than five and one-half billions invested in such securities. The stock savings banks report less than a million of this type of investment. Life-insurance companies have seven and one-half billions so invested. State commercial banks have a billion and one-half outstanding. Loan and trust companies have one and one-quarter billions; national banks, one and one-half billions; Federal land banks, more than a billion; joint-stock land banks, something in excess of one-half billion; and all other institutions, twelve billion three hundred and seventy-five million. Thus we find that the loaning of funds upon mortgages of real estate in this country is a business involving the stupendous sum of nearly \$40,000,000,000 and, of course, justifies the most earnest consideration of Congress in solving the problem confronting these institutions, particularly in the present exigency.

The savings banks do not make loans in the same way that they are made by the building and loan associations. Their mortgages, for the most part, are made for a fixed term, in many instances for one year with interest payable on them every six months, and not infrequently with a provision that the mortgage shall be amortized by the payment of a certain proportion of the principal each year. These instruments become due and payable at the date agreed upon; but if interest payments are made semiannually, or as required, they are renewed until another interest period comes around, and the payment of the interest when due renews the mortgage. Instances have been known where some of these mortgages have been outstanding and have been held by savings banks for more than 20 years. In normal times the borrowers experience no difficulty, provided they are able to meet their interest payments and provided the security remains ample, but in exigencies such as those through which we are now passing, the depositors in these savings banks are calling for their deposits, and naturally the banks, wherever possible, secure the repayment of the mortgages which they hold. The borrowers are unable to secure funds though their homes may be mortgaged for only a small part of their value, and as a result the mortgages must be foreclosed, and the homes are lost to their owners.

Let me read you a letter which was made a part of the record of the hearings on this bill:

"We have worked for the past five years for our home. We have squeezed on clothes and everything possible, and by doing that we were able to pay off the second mortgage fully this year. But now, they have told us, as the first mortgage is coming due also, that we may pay \$750 down now, reduce the principal that much, and add service fees and costs, which means that we must raise a total of more than \$1,000, and we can not do it. We are going to lose our home. What can we do about it?"

Not all the representatives of institutions loaning money on home mortgages favor the enactment of this bill to create home-loan banks. But it may be interesting to review the attitude of the witnesses who appeared before the two committees of Congress.

Eighty-three witnesses were examined by those two committees. Sixty-one witnesses from 22 different States appeared in behalf of the measure and 22 from 13 States opposed it.

Twenty-four representative building and loan officials from almost as many different States appeared, and 22 favored the measure and 2 were in opposition.

Bankers were evenly divided as to the desirability of the measure, six appearing for and six against.

Ten representatives of large eastern life-insurance companies, including several of their mortgage-lending agents from other parts of the country appeared in opposition to the measure.

Seventeen well-known figures in the general real-estate field appeared, 13 in behalf of the measure and 4 in opposition.

Of the 11 unclassified witnesses who appeared, 7 favored the measure and 4 were opposed to it.

#### SUMMARY

In order that I may not be misunderstood as to what in my opinion this proposed law would effectuate if enacted, I summarize by saying:

1. It will assist materially in relieving the present distress among home owners.

2. It will to a large degree afford a solution of the present problems with which financial institutions which have loaned on mortgages are confronted.

3. It will afford relief to literally millions of investing members in building and loan associations who are now unable to withdraw their savings to meet their immediate and pressing needs.

But it must be borne in mind that there are some very desirable ends it will not reach now, for instance:

1. It will not create unlimited funds to provide against the needs of all our citizens in distress.

2. It will not provide for the building of new homes—at least in the immediate future, though ultimately it will have that effect.

3. It has been urged that the passage of the bill will encourage building, provide employment in many industries, and revive business activity. In my opinion it will not do that until the present emergency has passed, but it will do so immediately on the return of normal conditions.

In our country the home has a significance that is peculiarly American. It is the objective of every American family. It has furnished the theme for some of the most inspiring, the most thrilling, the most beautiful sentiments in song and story. After all, the average citizen of America, from the captains of gigantic industries to the humble laborer, ever recurs to the old refrain, "Be it ever so humble, there's no place like home." Nor should we forget the love that attaches to the home of even the adolescent whose years of childhood have been spent within the sheltering walls of his modest dwelling place. Thoughtful, public-spirited citizens have long since come to the realization that there is a veritable chasm between a mere dwelling house and a home; that around the American home are clustered the fondest recollections of childhood, of youth, and of mature age, and that children of parents who own their own home are indeed blessed with a priceless heritage.

The real home, that which the mother can call "our home" and of which she is so proud, is a monument to the mutual love and devotion which it shelters. "A bit of sentiment," you say, and perhaps you are right, but American citizens have fought valiantly for their homes. Let us preserve them. They will continue to be the very foundation stone of our country.

#### ADDRESS BY SECRETARY OF WAR HURLEY

Mr. HASTINGS. Mr. President, I ask unanimous consent that an address delivered last night by Hon. Patrick J. Hurley, Secretary of War, may be printed in the Record. This is a political address.

The PRESIDENT pro tempore. Is there objection?

Mr. ROBINSON of Arkansas. Mr. President, I do not object to the printing of the address. It is a political address. It is my purpose to take the floor when the opportunity arises and make reply to many of the erroneous statements and declarations contained in the address. I presume the policy will be resorted to of printing in the Record political addresses made outside the Senate. I shall not object to the request of the Senator from Delaware.

Mr. BORAH. Mr. President, I do not propose to object to this particular address being printed in the Record, but I wonder, if we remain in session, if we are going to continue to print all these political speeches? It is costing the taxpayers of the country hundreds of thousands of dollars. I am going to raise the question at a time when some one is not offering a particular address, because I think the Senate ought to pass upon the question.

Mr. REED. Mr. President, I am told that it costs \$58 per page to print this material in the CONGRESSIONAL RECORD. Why would it not be fair to both parties and fair to the Government if we made an agreement now that no political addresses should be printed in the CONGRESSIONAL RECORD? It would bear with equal hardship and equal benefit upon both parties.

Mr. ROBINSON of Arkansas. I have just stated that it is my intention to reply to the address of the Secretary of War, and for that reason I do not feel that his remarks made at



the Ohio State Republican convention last evening should be excluded from the RECORD.

Mr. REED. If that is done, then it is only common fairness that when some Democrat makes a political speech we should let it go into the RECORD. I think the taxpayers of the country are entitled to protest against our using the CONGRESSIONAL RECORD for campaign purposes. It is the same thing in connection with the use of our franks.

Mr. ROBINSON of Arkansas. Mr. President, we have already printed in the RECORD the addresses of the nominees for President, the platforms, and numerous other political documents. The Senator did not object when the address of the chairman of the Republican National Convention was ordered printed in the RECORD.

I think perhaps there is another side to this question. The public are entitled to have presented to them the issues involved in this campaign. There is no better way of presenting them than in public addresses; and certainly it would be a strange policy now, after having let all these documents and speeches of a purely political nature go into the RECORD, and some one announces his purpose of replying to them, to say that they shall not go into the RECORD. It would be embarrassing to me to make a reply if the speech of the Secretary of War should be excluded from the RECORD.

Mr. BORAH rose.

Mr. REED. Mr. President, one word more if the Senator from Idaho will permit me.

Mr. ROBINSON of Arkansas. The speech of Secretary Mills, which is of exactly the same nature, was also ordered printed in the RECORD.

Mr. REED. Will not the Senator let me finish the sentence?

The PRESIDENT pro tempore. The Chair is assuming that this discussion is taking place with the consent of the Senator from Nebraska, and until the Senator from Nebraska interposes an objection the Chair will permit the discussion to proceed.

Mr. REED. Mr. President, it seems to me that exactly the same question is involved in the use of our franking privilege for purely political matter or the use of our privilege of charging telegrams to the Government. It would be indefensible for us to charge a political telegram to the Government. I think it equally indefensible for us to use our franks in writing purely political letters. It seems to me this is all a piece of the same thing, and that we ought not to do it.

I did not object to the insertion of the speech of the chairman of the Republican convention, and neither did I object to the insertion of the speech of the chairman of the Democratic convention.

Mr. ROBINSON of Arkansas. Nor to the speech of Secretary Mills delivered at a political meeting in Boston a few nights ago.

Mr. REED. I do not remember being present when the request was made to print that speech in the RECORD; it may have been made when I did not hear it. I should have objected if I had noticed it. We have got to play absolutely fair between the parties, but it seems to me that, sooner or later, we have got to put an end to it. If we do not adjourn to-day, and should the Senate remain in session much longer, the CONGRESSIONAL RECORD will simply bulge with political speeches; and I do not think that would be fair to the taxpayers.

Mr. BORAH. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. HOWELL. I yield.

Mr. BORAH. As I said a moment ago, I shall not object to this particular speech being printed in the RECORD, because the Senator from Arkansas has said he is going to reply to it, but, if I am present, I shall object to any further political speeches being printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the unanimous-consent request submitted by the Senator from Delaware [Mr. HASTINGS] is granted, and the speech of the Secretary of War will be printed in the RECORD.

The speech referred to is as follows:

ADDRESS BY HON. PATRICK J. HURLEY, SECRETARY OF WAR, DELIVERED BEFORE THE OHIO REPUBLICAN STATE CONVENTION AT COLUMBUS, OHIO, JULY 14, 1932

We, as Republicans, are assembled here to-night to consider the state of the Union, to meet squarely and courageously the serious economic conditions that for a period of years have challenged the stability of the economic system and the political institutions of the Nation. The conditions that in the past three years have caused 20 revolutions that have shaken the very foundations of other nations of the world—that have swept upon us from abroad—have caused stagnation in our commerce, maladjustments in our economic system, and dire distress among many of our citizens. Our difficulties have come in large part but not entirely from conditions that arose outside of our own border.

How are we going to restore normal conditions? How will the stream of credit and new life be infused into the prostrate body of our economic system?

Let us consider the plans for the rehabilitation of our Nation that are before the people. Let us compare the vague, indefinite suggestions of the Democratic candidate for President with the definite, logical, all-inclusive, constructive, nonpartisan reconstruction program and the accomplishments of Herbert Hoover.

We all applauded the distinguished Democratic candidate for President when he flew to Chicago to accept the nomination. The governor said he flew to break a precedent and that he intended to break every old, useless, hackneyed precedent as he came to it. He then proceeded to follow an inviolable Democratic precedent, one of the oldest and most futile precedents of his party—that of blaming all the ills of mankind upon the Republican Party and upon its leader.

The governor, of course, did not break a precedent when he approved the Democratic platform "100 per cent." The Democrats broke no precedent in holding their convention after the Republicans had held theirs. The Democrats had to find out what the Republicans were going to do before they could act. The Democratic Party has no plans nor policies of its own. It lives only by the criticism it is able to direct against the leadership and the constructive program of the Republican Party. In many essentials it always follows Republican leadership.

Governor Roosevelt's most ardent admirers regretted that his acceptance speech consisted principally of generalizations.

The part of the governor's address that intrigues us is this: "I pledge you, I pledge myself, to a new deal for the American people." He then engaged himself in some vague words about restoring America to its own people.

Just what is this new deal? The governor does not enlighten us. When he speaks of returning America to its own people, is he condemning the attempts of his late chieftain whom he idolizes, President Wilson, to give America to the League of Nations? Is he condemning the Wilson Democratic administration for having given the allied nations nearly all the money the American taxpayers owned and asking in return not even a definite promise to pay? Is he going to lift that burden that his chieftain placed on American taxpayers? Is he going to join the Republicans in their demand for repayment? Maybe the governor believes that by ceasing to advocate the entry of the United States into the League of Nations, the Democrats are giving America back to the people. That may be his new deal of which he speaks so vaguely.

The Republican Party is and has always been unequivocally opposed to cancellation of debts or entry into the League of Nations. It has been quite a task for the Republicans to overcome the international entanglements made by the last Democratic administration. We are not through with them yet.

The Republicans restored America to the American people by defeating the Wilson League of Nations, but it has not yet been able to pay off the mortgage the Democrats put on the taxpayers' pocketbooks for money to lend to Europe. Now Europe does not want to pay but our taxpayers still owe the money that the Democrats lent and are still paying interest on it.

But maybe the governor's new deal has nothing to do with international affairs. Perhaps it is purely a domestic matter. Is the new deal to create a gigantic bank reaching into every city, village, and hamlet of the country, as proposed by Speaker Garner? That is a new deal as well as a great departure from the principles fought for by Andrew Jackson. The Hoover nonpartisan reconstruction program is designed to assist, to supplement, and to uphold individual effort and enterprise, not to compete with or destroy them.

Mr. GARNER, as the vice presidential candidate, is pledged to carry out the policies of the party, and yet he proposed to violate the Democratic platform which pledged the party not to put the Government into competition with private enterprise. The Democratic platform proposed to reduce bureaucracy, yet within a week after the Democratic convention Speaker GARNER attempted to create an additional Federal bureaucracy of a hundred thousand bureaucrats.

The Democratic platform pledged the party to reduce Government expenses, yet Mr. GARNER and his Democratic colleagues in the House have passed bills that would add \$4,000,000,000 to present Federal appropriations for one single year.

Is that the new deal? Any politician can devise a plan to take money out of the Treasury. No one has found a way to put money into the Treasury that does not ultimately result in increased taxes on the people.



Is the new deal to be a dole from the Federal Treasury, advocated by his fellow partisans in Congress? Is the new deal to substitute for individual effort, individual initiative, individual enterprise, some form of bureaucratic collectivism? Is it the new deal expressed in the governor's radio speech of April 7, in which he attempted to arouse class hatred among the citizens of this Republic? That's not the right kind of a new deal; the governor should know that hate never produces anything but evil.

It is very well for the governor to paraphrase the great Roosevelt, who demanded a square deal. Theodore Roosevelt told the people in Rooseveltian terms what he meant by a square deal. The governor has left us to guess what he means by a new deal.

Let us be tolerant. The governor may be honestly trying to give us a new deal, but he is certainly dealing from an old deck—the same old deck from which William Jennings Bryan gave the American people so many "new deals" and from which he dealt himself so many Democratic nominations for President—the same old deck that contains all the radical phrases, all the language of discontent, all the futile attempts to capitalize disorder and arouse class prejudices for political purposes. Beware, governor! Mr. McAdoo, Mr. Hearst, and Speaker GARNER may have stacked the deck on you.

Let us contrast the vague references of Franklin D. Roosevelt to a new deal with the accomplishments of President Hoover.

From the very beginning of the depression the President of the United States continuously has fought for the maintenance of the American standard of living. He insisted upon proper tariffs to meet the flood of cheap goods from demoralized Europe. He upheld the rate of wages. He inaugurated a program of Federal construction to stimulate industry and increase employment. He sponsored a building program by State and local governments and private industry. He stopped immigration by Executive order. He conciliated capital and labor. He prevented strikes and acrimony between employer and employee that have been the universal accompaniment of all former panics and depressions. He defeated the dole. He mobilized the public opinion to take care of distress. He directed the Farm Board to take and hold surplus until better markets could be obtained. He bolstered up confidence in the financial world and stopped the onrush of bank failures by organizing a private bank pool of \$500,000,000. He extended a moratorium—which has nothing to do with the cancellation of debts—and prevented the spread of financial panic to the United States.

When the collapse in Europe became complete, the President created the Reconstruction Finance Corporation.

"The creation of the Reconstruction Finance Corporation was warranted only as a temporary measure to safely pass a grave national emergency which would otherwise have plunged us into destructive panic in consequence of the financial collapse in Europe. Its purpose was to preserve the credit structure of the Nation and thereby protect every individual in his employment, his farm, his bank deposits, his insurance policy, and his other savings, all of which are directly or indirectly in the safekeeping of the great fiduciary institutions."

The President led in the organization of a movement to stimulate home building and home ownership. He urged upon Congress a plan to furnish credit to home owners and farm owners in distress. He reestablished American prestige abroad. He saved Germany from disaster. He offered a strong, far-reaching, nonpartisan program to accelerate recovery. He fought every phase of the depression as it appeared.

Depression has proved a stubborn foe. Like the multiple-headed hydra, no sooner is one head of the beast chopped off when another grows out. The President has attacked depression on a hundred fronts, but no sooner does he stop the ravages of one attack upon our civilization and our American standards of living than another assault swoops down from some other hostile sector.

His creating jobs by accelerating public construction did not solve the unemployment problem. His stopping of immigration did not give every American a job. His banking reforms did not make every bank solvent. His farm measures did not pay off the debts on every farm. His credit-expansion projects did not put every business back on its feet. Wars are not won in a single skirmish. Campaigns are not settled in a single sector. But each single battle against a definite foe, each individual assault on a stubborn hostile position, the many separate dispositions of his troops and his weapons against a definite target show that the tactics of President Hoover on the battlefield of depression saved the day, and often averted complete disaster.

The three major policies of the President stand vindicated. We have prevented disorders, riots, and social upheavals. We have cared for the needy. We are in a depression, but we have averted panic and catastrophe. The economic struggle is not over. Battles are still raging on a hundred fronts. While 20 revolutions have shaken the foundations of other nations, while nation after nation has been driven from its gold standard, the United States, under the administration of Herbert Hoover, is tranquil, solvent, and confident.

The Democrats have had no program save the vague references to a new deal. The Democratic candidate has suggested no program. The Hoover nonpartisan reconstruction program is still the only complete logical program offered by anyone in or out of public life to break this depression.

In the face of the striking evidence of the accomplishments of the Hoover administration, Governor Roosevelt, who should be thoroughly familiar with the President's program, still accuses the administration of thinking only in terms of the man at the top and totally neglecting or forgetting the man at the bottom. Such

a statement can be charitably attributed to a lack of familiarity with the Hoover nonpartisan program.

The President's program touches every phase of American life, reaches every element of the depression and its causes, and offers constructive means for combating its deleterious effects upon every element of the citizenship; but it does not put the Government in competition with private enterprise. It is true that under the individualistic system success comes to those who have the capacity, who can endure and have the will to succeed. No law or regulation can supply any individual with the attributes that make for success. Why should we continuously condemn those who have succeeded if they have done so honestly.

We all realize that our present system of economics is imperfect. It is human. There is nothing human that is perfect. But with all its faults, the Government of the United States and its economic system have given more happiness to more people for a greater period of time than any other government that has ever existed.

The President's purpose from the beginning has been to meet the emergencies as they arise without destroying the fundamental principles of either our economic or political institutions.

The American people do not want any deal which would deny them the free use of their own talents in legitimate enterprise. The people want the door of opportunity left open to every boy and girl born under the American flag. They want the right for themselves and their children to compete fairly and strive honestly and to succeed according to their merits. What system would Governor Roosevelt's new deal substitute for the American system?

The American Government was never intended to order the lives and control the honorable efforts and desires of the individual. The Government was created to serve a free people to enable them to promote education, to abolish intolerance and crime, to stamp out abuse and arrogance of illegitimate power, to combat poverty, to maintain equality of opportunity, and to strive honorably for the higher ideals of humankind—invention and discovery, intellectual advancement, enrichment of the spirit, and ennoblement of the soul.

Let us come to the crux of this campaign. The fact is that since the very beginning of the Hoover administration conscientious, intelligent Democrats have supported the President in nearly all of his efforts. An element in the Democratic Party has sought continuously to capitalize the discontent that has grown out of these troublous times for political purposes. It has obstructed every plan of the President designed to promote the welfare of this Nation and its 123,000,000 inhabitants.

In its principal features the Democratic platform is a complete approval of the outstanding policies followed by the President of the United States during the last three years. If you doubt that statement, read the Democratic platform. In many instances it follows not only the tone and spirit but even the words of Herbert Hoover. There is a deadly parallel between 75 per cent of the contents of the Democratic platform and the words and policies of the Hoover administration.

It would be impossible for me to take every individual plank of the Democratic platform that contains a constructive principle and point out the great similarity of words, phrases, and ideas between them and those of President Hoover. Let me refer you to the document itself. I will take up only two of the planks with which my work has made me most familiar. I refer to matters of public economy and the question of national defense.

President Hoover began to urge the consolidating of departments and bureaus as a measure of economy in a public speech in Philadelphia in 1921, and since then he has been preaching that doctrine month in and month out. In his first message to the regular session of Congress in 1929 he included a recommendation for this purpose. He has repeatedly emphasized the point in a dozen messages, and he has used every persuasion to convince Congress of its necessity. He has repeatedly made the most explicit recommendations of specific reorganizations and consolidations. In his message to Congress on the 6th of last December he made recommendations of specific reorganizations and administration for purposes of economy. On February 17 of this year he sent a message to Congress recommending that broad authority be given to the President to abolish and consolidate Government bureaus and activities in the interest of economy. To quote but one of the many pleas of the President for economy, let me repeat the following words from his message to Congress on December 8, 1931:

"We must have insistent and determined reduction in Government expenses."

The Democratic majority in the House of Representatives has defeated these efforts at every turn. In the economy bill as passed by Congress authority was given to the President for this purpose, but it was restricted through provision that executive orders affecting such consolidations must lie before Congress for 60 calendar days during a session subject to the disapproval of the Congress. In other words, the President was given authority to make consolidations, but none of them could possibly be made effective earlier than February or March of next year, and not certainly even then.

The President asked that application of this 60-day provision be waived so he could act—the President is a man of action. Here again the Democratic majority of the House crippled this emergency authority so as to exclude from quick action bureaus and commissions expending over \$500,000,000 a year. In fact, they pretended to favor consolidation and reduction of bureaucracy, but hamstringed the President in action.



The first plank in the Democratic platform is an unequivocal approval of the demands made by the President for authority to reorganize the executive departments of the Government in the interest of economy. The truth is the demand of the Democratic platform for economy in government is the baldest kind of hypocrisy, unless the plank in the Democratic platform can be taken as a direct rebuke to the Democratic House of Representatives.

Let us see how the Democratic House of Representatives acts in face of the demand by the Democratic convention for economy in government.

On May 2 the Democratic House of Representatives passed the Veterans' Bureau allowances against the President's advice for what would have amounted to \$450,000,000 during the first 10 years.

On May 6 the Democratic House of Representatives voted to expand Government bureaucracy in the operation of Muscle Shoals at a cost of \$100,000,000.

On June 7 the Democratic House of Representatives passed a gigantic pork barrel bill, sponsored by Speaker GARNER, calling for nonproductive works at a cost of \$1,300,000,000.

On June 15 the Democratic House of Representatives passed an act calling for the immediate payment of veterans' bonus at a cost of \$2,000,000,000. At this very hour the Democratic House of Representatives still has under consideration Democratic measures calling for expenditures out of the Federal Treasury of items opposed by the President that, if enacted, would cost the Government more than \$590,000,000 during the next fiscal year.

If the Senate and the President would have concurred with the Democratic House of Representatives and had permitted these bills to become law, the Democrats would have appropriated \$4,350,000,000 above the present Budget. In other words, instead of decreasing the present Budget by 25 per cent, as demanded by the economy plank in the Democratic platform, they have passed bills that would have doubled the cost of government.

President Hoover has been fighting raids on the Federal Treasury in an effort to reduce the cost of government, and in turn to reduce the enormous taxes upon the people. Again we repeat, "You can not squander yourself out of this depression." You can not cure the depression by raids on the Federal Treasury.

What President Hoover is now and has been asking Congress to do is—

First. To reduce the cost of government.

Second. To keep the Budget balanced.

Third. To enact into law the remainder of the President's non-partisan reconstruction program.

The eighth plank of the Democratic platform calls for reduction in the cost of national defense. "That the people in time of peace may not be burdened by the expenditure fast approaching a billion dollars annually."

The cost of national defense is not fast approaching a billion dollars annually nor anything remotely resembling that sum. The appropriations for the Navy for 1933 are \$317,533,591. The purely military appropriations for the War Department bill are \$283,754,020. In other words, the accurately budgeted figures for the fiscal year 1933 show the combined cost of the Army and the Navy to be but \$600,000,000. That is a mere 40 per cent, or \$400,000,000 less than the misleading figures given in the Democratic platform. Just 40 per cent wrong; that's about as close to the truth as you would expect Democrats to get.

"The first necessity of our Government is the maintenance of a Navy so efficient and strong that, in conjunction with our Army, no enemy may ever invade our country."

If the recommendations the President has made to Congress and his economic plan were taken from the Democratic platform, it would have little of anything left save an appeal to class prejudices and individual cupidity and the same delightful idiosyncracies about the tariff that are frequently expressed by men who oppose the tariff for campaign purposes but always vote for it in Congress.

This country recognizes the leadership of the President. The best elements in the Democratic Party recognize that leadership. The Democratic platform acknowledges that leadership.

The people of this country will not be misled. The issues in this campaign are clearly drawn. The good sense, the judgment, the intelligence of the American people will demand a verdict in favor of economy in Government and the upholding of American principles and ideals. The champion of these principles is Herbert Hoover.

Mr. BINGHAM. Mr. President, bearing on this question—

Mr. CONNALLY. Mr. President, a parliamentary inquiry. The PRESIDENT pro tempore. The Senator will state it.

Mr. CONNALLY. I understood the Senator from Pennsylvania to object.

Mr. REED. No; I did not object in this instance.

Mr. CONNALLY. The whole tenor of the remarks of the Senator was that he would object, and I concluded he really meant what he said.

Mr. REED. If the Senator will yield, the whole tenor of my remarks was to endeavor to secure an agreement on both sides of the aisle that we would join together in objecting to the printing of such matter in the RECORD.

Mr. CONNALLY. I agreed with the Senator, and was sitting here approving all he said. Then when he sat down and made no objection, I was shocked.

Mr. BINGHAM. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Connecticut?

Mr. HOWELL. I yield.

Mr. BINGHAM. Mr. President, in view of what the Senator from Arkansas has said about his desire to reply, I shall not offer any objection, although I had intended to do so. I take the position that the Senator from Idaho has taken, that, in view of the fact the Senator from Arkansas desires to reply, the speech should be printed; but if I am present, I shall join the Senator from Idaho and object to padding the RECORD further with speeches on both sides of the aisle.

In this connection, may I call the attention of the Senate to the unprecedented cost of the CONGRESSIONAL RECORD during the present session of Congress? I have here a letter from the Public Printer addressed to the clerk of the Joint Committee on Printing, which brings the figures down to the 31st of May and compares the cost of the RECORD for the present session to that date with the long sessions of the past five Congresses. In the first session of the Sixty-eighth Congress the cost was, in round numbers, \$340,000 and the pages of the RECORD numbered something over 10,000; in the first session of the Sixty-ninth Congress the cost was about the same; in the first session of the Seventieth Congress, while the number of pages was about the same, the cost had increased, due to the higher cost of labor. In the Seventy-first Congress, second session, the pages were about the same, being a little over 10,000 pages, and the cost was about the same as in the first session of the Seventieth Congress, or a little over \$434,000; but in the present session of the present Congress, down to the 31st of May, the number of pages had increased by over 2,000, there being 12,264 pages by the end of May of this year, and the cost had gone up to over \$514,000.

I shall endeavor to secure a statement of the cost down to the end of June and have it printed in the RECORD at the earliest possible date. In the meantime, I ask that the letter from the Public Printer to which I have referred may be printed in the RECORD.

There being no objection, the letter was ordered printed in the RECORD, as follows:

UNITED STATES GOVERNMENT PRINTING OFFICE,  
Washington, D. C., June 10, 1932.

Mr. ANSEL WOLD,

Clerk Joint Committee on Printing,

In care of United States Senate Post Office,

Washington, D. C.

SIR: In compliance with your telephone request this morning you are advised that the cost of the daily CONGRESSIONAL RECORD for the first six months of each long session of the Sixty-eighth to Seventy-second Congresses, inclusive, is as follows:

Session	Dates included	Type pages	Cost
68-1	Dec. 3, 1923-May 31, 1924.....	10,585	\$340,703.75
69-1	Dec. 7, 1925-May 31, 1926.....	10,562	384,873.30
70-1	Dec. 5, 1927-May 29, 1928.....	10,969	429,143.53
71-2	Dec. 2, 1929-May 31, 1930.....	10,496	434,153.26
72-1	Dec. 7, 1931-May 31, 1932.....	12,264	514,190.60

The above does not include the index, biweekly, or bound RECORD.

Respectfully,

GEORGE H. CARTER,  
Public Printer.

Mr. COUZENS. Mr. President, may I suggest that I believe that an examination of the contents of the CONGRESSIONAL RECORD will show that a great deal of space has been taken up by the discussion of liquor and beer?

Mr. ROBINSON of Arkansas. Mr. President, will the Senator from Nebraska yield?

Mr. HOWELL. I yield.

Mr. ROBINSON of Arkansas. In view of the quickening of the spirit of virtue and economy in the bosom of the Senators from Pennsylvania and Connecticut and others,

and recognizing that while this political material may properly be excluded from the CONGRESSIONAL RECORD, I state now that if the rule is to be adopted and carried out in good faith I shall not avail myself of the privileges of the floor to reply to the speech of the Secretary of War, made, of course, outside the Senate and at a political convention, and I shall consent to the adoption of the new rule at this moment. It means that partisan political discussions in the Senate are to be banned; and who is going to determine the question that a Senator is making a political argument? Who is going to hold him out of order if he transgresses the rule? The custom has heretofore prevailed of incorporating partisan political matter in the RECORD, on the theory that it contains information helpful to the public in determining campaign issues. If, however, the Senator from Connecticut, who has consumed many hours in the last few days in delivering in this body what are essentially political addresses, made in the interest of his candidacy for reelection to the Senate, will apologize for the cost he has occasioned this great Nation by printing the matter in the CONGRESSIONAL RECORD and will announce his intention not to violate the spirit of the rule that he now proposes by sending out under his frank the political addresses he has made here, I myself shall be glad to withhold political remarks in this forum and avail myself of the opportunity to express my sentiments elsewhere. It is not, however, a demonstration of great virtue for Senators to use the CONGRESSIONAL RECORD for partisan or personal political purposes and then declare that others who express contrary views shall be denied the privilege of having their opinions recorded in the CONGRESSIONAL RECORD.

Now let any Senator who has the spirit to do so say that he objects to printing political matter in the CONGRESSIONAL RECORD and I will refrain from saying here what I intended to say about the speech of the Secretary of War, the recent speech of the Secretary of the Treasury, and another speech by the Secretary of Agriculture.

Mr. BORAH. Mr. President, I said a moment ago that I had no intention of objecting to this particular speech being printed in the RECORD in view of the situation that had developed. These speeches are not only printed in the RECORD, but they are circulated through the mail at the cost of the United States Government; and I repeat that hereafter, after this particular matter shall have been disposed of, I shall undertake to keep them from going into the RECORD.

Mr. HASTINGS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Delaware?

Mr. HOWELL. I yield.

Mr. HASTINGS. Mr. President, I should like to state in justification that my observation has been that the request I made was not at all unusual; I have seen similar requests made and granted ever since I have been here and never before heard the question raised. Furthermore, I am quite certain that this speech, if any speech, is worth at least \$58 a page, and the answer by the Senator from Arkansas will probably be worth as much.

Mr. GORE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Oklahoma?

Mr. HOWELL. I yield.

Mr. GORE. My purpose, I may say, was to make this suggestion: If I followed correctly the figures read by the Senator from Connecticut contained in the letter written by the Public Printer to the clerk of the Joint Committee on Printing, it is costing \$45 or \$50 a page to print the CONGRESSIONAL RECORD. If that be true, I do not think there is any reason or any excuse or any justification for such an enormous cost, and I shall move, at the appropriate time, that the proper committee be directed to investigate the question and report as to the cost of printing the CONGRESSIONAL RECORD, because, if the cost be as indicated, then we had better, in the interest of economy, make arrangements with private business to print the RECORD. If the Senator from Nebraska will yield for that purpose, I will make the motion now that the proper

committee be directed to investigate in full and report the cost of printing the CONGRESSIONAL RECORD.

The PRESIDENT pro tempore. Does the Senator mean the Senate Committee on Printing or the Joint Committee on Printing?

Mr. GORE. The reason I said "the proper committee" is that I did not know whether this motion should relate to the Senate Committee on Printing or the Joint Committee on Printing. If a parliamentary inquiry is in order, I will ask as to that.

The PRESIDENT pro tempore. The Chair is of the opinion that under the printing act of 1895 the Joint Committee on Printing has jurisdiction of the subject.

Mr. GORE. Then I move that the Joint Committee on Printing of the two Houses be directed to investigate and report to Congress in December the cost of printing the RECORD.

The PRESIDENT pro tempore. The Senator from Oklahoma asks unanimous consent to submit and have presently considered a resolution directing the Joint Committee on Printing to ascertain the cost of publishing the CONGRESSIONAL RECORD and to report to the Senate. Is there objection?

Mr. McNARY. Mr. President, for the present I object.

The PRESIDENT pro tempore. Objection is made.

Mr. JOHNSON. Mr. President, with the consent of the Senator from Nebraska, I want to indulge in just one observation.

We are within 24 hours of adjournment of this session of Congress; and to indulge in a discussion to-day about putting something in the RECORD, when the Democratic leader from Arkansas has announced that he is about to make an address, seems to me the purest poppycock. If we are going to indulge in that sort of thing, let us do it at the beginning of the next session, or it should have been done many, many months ago. To do it now is simply endeavoring to prevent something which we have not prevented before and in which apparently we have little interest.

Mr. BROOKHART. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Iowa?

Mr. HOWELL. I do.

Mr. BROOKHART. I ask leave to have inserted in the RECORD a speech of Mrs. Jesse W. Nicholson, president of the National Woman's Democratic Law Enforcement League and editor of the Woman Voter.

Mr. COUZENS. I object.

The PRESIDENT pro tempore. Objection is made.

Mr. BROOKHART. Mr. President, I announce, then, that in due time I will take the floor and read this speech into the RECORD.

Mr. JONES. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Washington?

Mr. HOWELL. I yield.

Mr. JONES. In view of the discussion that has been had, I think I will submit a request that I intended to submit anyhow.

I agree with the suggestions that have been made with reference to printing all sorts of matter in the RECORD, and especially political matter; but I had brought with me this morning an analysis of the temperance or prohibition or liquor platforms of the respective parties by Mr. David Lawrence, the editor of the United States Daily. He makes a very impartial, nonpolitical, fair, and, I think, very clear analysis of the respective planks. I felt that we were justified in having that put in the RECORD.

Mr. LONG. Mr. President, I object. I have already put in the RECORD a nonpolitical definition of what constitutes intoxication.

Mr. JONES. This does not define that at all. It simply analyzes the two planks in a fair, impartial way.

Mr. LONG. I object.

The PRESIDENT pro tempore. Objection is made.

Mr. JONES. Very well.



## THE ECONOMIC SITUATION

Mr. FLETCHER. Mr. President, I ask leave to have published in the RECORD an article by Ben Wand, editor of the Southern Lumber Journal, Jacksonville, Fla., entitled "What's the Answer?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Southern Lumber Journal, July, 1922]

## WHAT'S THE ANSWER?

By Ben Wand, Editor

What is the answer to our present economic plight as presented by the spectacle of nearly 10,000,000 men out of work and with no work in sight? What can be done during the next six months to put these men back to work, and how can they and their families be fed, clothed, and sheltered in the meantime?

Here is the great national problem. Besides this problem all other political and social problems pale into insignificance.

Why have Government and industry come to such a sorry pass that men and women, willing to work, can not find an opportunity to work? Is our democratic form of government and our social order a colossal failure? Must we look to communism to find an answer? God forbid—but an answer must be found. Either Government and industry must find a way to give employment to workers or we shall eventually develop a new social order.

The higher the development of society, of civilization, the more dependent is each individual upon the welfare of his neighbor. That goes alike for the wealthy and the poor, the educated and the illiterate. From the marts of Wall Street to the far reaches of western farms we are all dependent upon the prosperity of each other.

The values of stocks, of bonds, or real and personal property of all kinds have been destroyed. This has come about because the purchasing power of the masses has been destroyed.

Men do not agree as to the causes which brought about this condition, but we can all agree that the condition exists. What, then, is the answer? How can purchasing power and consequent prosperity be restored?

We can vision but one answer. That answer is for all basic industries to put additional men and women to work by shortening the working day and the working week.

The Owens-Illinois Glass Co. has set an example for other industries to follow. It has adopted the 6-hour day, with 4 shifts daily, for its 13 great plants. The object is to spread available work among the maximum number of employees. There will be no reduction in the hourly rate of pay, but each shift will work 7 days weekly, thus providing 42 hours of labor weekly for each employee. The adjustment of working hours will enable the company to increase its force considerably without increasing pay-roll disbursements.

Nation-wide adoption of the 6-hour-day shift by major industries would put three or four million men to work even on the present basis of curtailed production. And what a difference that would make for all business and for those now unemployed! When men have jobs they spend what they make. And the spending of this money necessitates immediate increase of production of all commodities to meet their demands, which in turn puts other millions to work.

The selfishness of industry, the greed of those who persisted in increasing production year by year, and forcing their products on an installment-buying public, have brought us to our present undesirable economic state. That and the mechanical improvements of science designed to reduce the number of those employed. The only answer, then, lies in controlled production and the increase of employment by national adoption of a shorter working day. There appears no other answer.

## NEBRASKA POWER CO.

Mr. HOWELL. Mr. President, in the course of remarks in the Senate on May 30 last respecting the power industry, its prosperity during this period of depression, and its flotation of inflated securities, I cited the example of the Nebraska Power Co. supplying electrical energy in Omaha, Nebr., Council Bluffs, Iowa, and the immediate vicinity. This company is a subsidiary of the American Power & Light Co. I then stated that American Power & Light had acquired the 1,000,000 shares of common stock of the Nebraska Power Co. at a cost of \$766,000. This was based upon the testimony of Mr. Paul Anderson, of the Federal Trade Commission, presented to the Senate in connection with the remarks of my colleague [Mr. NORRIS] on July 2, 1930, and to be found in the CONGRESSIONAL RECORD beginning on page 12269 of volume 72, part 2.

It now appears that this cost of \$766,000 was merely the apparent cost. The fact is that not only did this 1,000,000 shares of stock represent no cost to American Power & Light, but its acquisition was accompanied by huge profits,

as set forth in a recent letter from the Federal Trade Commission.

This letter in effect states that from 1917 to 1930, \$6,098,892 in dividends on common stock and \$451,922 in dividends on preferred stock, or a total of \$6,550,814, was paid to American Power & Light, representing income on securities which had cost the American Power & Light nothing.

In addition, \$1,765,327 was paid to American Power & Light in commissions, fees, and so forth. Moreover, the Electric Bond & Share Co., of which American Power & Light is subsidiary, and its wholly owned subsidiary, the Phoenix Construction Co., collected an additional \$1,062,958 from Nebraska Power Co. as fees, commissions, and interest during the same period, making a grand total of \$9,379,099, paid largely on account of stock that had cost the holding company nothing.

Mr. President, I ask consent to insert in the RECORD the letter referred to in the course of my remarks; also the table referred to in that letter, and excerpts from testimony given by Walter Meleen in reference thereto.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

FEDERAL TRADE COMMISSION,  
Washington, June 21, 1932.

Hon. R. B. HOWELL,

Senate Office Building, Washington, D. C.

DEAR SENATOR HOWELL: Yesterday Mr. Meleen, one of the commission's examiners, agreed to furnish you with a copy of a statement computed from commission's Exhibits 5034 and 5038, which shows amounts paid to the American Power & Light Co. and the Electric Bond & Share Co. by the Nebraska Power Co. from June 1, 1917, to December 31, 1930, for various services. A copy of that statement is inclosed herewith.

The statement shows that from 1917 to 1930, \$6,098,892.33 in dividends on common stock and \$451,921.55 in dividends on preferred stock, or a total of \$6,550,813.88, was paid to American Power & Light Co., with offices in New York, which represented income on securities which cost the holding company nothing; and \$1,765,327.36 was paid that company in commissions, fees, etc., and that, in addition, Electric Bond & Share Co. and its wholly owned subsidiary, Phoenix Construction Co., collected \$1,062,957.66 from Nebraska Power Co. as fees, commissions, and interest during that same period, making a grand total of \$9,379,098.90.

In the case of Electric Bond & Share Co., the exact profit on service fees can not be stated, due to the fact that the question of this commission's right to examine the operating-expense ledgers and supporting documents has not yet been decided by the courts; however, as shown in Senate Document No. 92, parts 23 and 24, page 409, the per cent of profit based upon cost is not less than 105 per cent.

Very truly yours,

FEDERAL TRADE COMMISSION,  
FRANCIS WALKER,  
Chief Economist.

Walter Meleen was recalled as a witness and testified further as follows:

## DIRECT EXAMINATION

By Mr. Healy:

Q. Mr. Meleen, at pages 19 to 20 of your report, Commission's Exhibit 5038, there were certain data relative to shares of stock held by directors of the Nebraska Power Co. and the returns to those directors by way of dividends on those shares. I understand you wish to supplement this statement by a further statement.—A. Yes, sir.

Q. You may make that further statement.—A. During both 1929 and 1930 there were nine local Omaha business men and one Chicago banker, formerly of Omaha, acting as directors of Nebraska Power Co. Nine of the ten held 5,000 shares each and one 2,000 shares of common stock, which, as already explained in Exhibit No. 5038, they had been allowed to purchase at the equivalent of 50 cents a share, making an investment on 5,000 shares of \$2,500. In 1929 dividends were paid of \$1.30 per share, which in the case of 5,000 shares amounted to \$6,500, or a return of 260 per cent. In 1930 dividends were paid of \$1.20 per share, and amounted to \$6,000 on 5,000 shares, or a return of 240 per cent.

In addition to the 10 directors mentioned above, there were 6 others who were allowed similar privileges as the 10. These were as follows:

Two officers of Nebraska Power Co., 5,000 shares each.  
Two directors of Citizens Power & Light Co. (of Council Bluffs, Iowa), 5,000 shares each.

One director of Citizens Power & Light Co., 2,000 shares.

One director of Citizens Power & Light Co., 1,250 shares.

The four directors of the Citizens Power & Light Co., a subsidiary of Nebraska Power Co., were local Council Bluffs business men.



Nebraska Power Co.—Income paid to American Power &amp; Light Co. and Electric Bond &amp; Share Co., June 1, 1917, to December 31, 1930

	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	Total, June 1, 1917, to Dec. 31, 1930
Paid to American Power & Light Co.: Dividends on second preferred stock.....	\$17,500.00	\$70,000.00	\$70,000.00	\$70,000.00	\$70,000.00	\$70,000.00	\$252,918.00	\$367,182.00	\$370,386.00	\$463,992.80	\$741,688.20	\$741,688.20	\$1,205,080.83	\$1,112,382.30	\$358,750.00
Dividends on common stock.....	23,535.00	117,673.00	187,576.00	187,576.00	140,370.00	189,444.00	27,138.00	\$367,182.00	\$370,386.00	\$463,992.80	\$741,688.20	\$741,688.20	\$1,205,080.83	\$1,112,382.30	6,048,892.33
Dividends on preferred stock.....	3,225.00	5,530.00	5,331.00	5,240.00	5,081.00	23,198.00	27,138.00	8,586.66	4,046.30	2,741.07	1,227.70	1,227.70	50,000.00	190,824.54	93,171.55
Discount on general-mortgage 8 per cent bonds.....															148,500.00
Commission on preferred stock.....															170,000.00
Management and supervision fees.....															203,792.21
Interest on leased properties (F. A. Reid).....															531,561.07
Interest on 8 per cent general-mortgage bonds.....															132,000.00
Interest on 10-year, 5 per cent notes.....															333,861.10
Interest on open account.....															245,612.98
Total.....	103,172.00	372,187.81	407,726.90	404,953.19	558,825.67	435,446.77	280,274.61	487,760.40	398,254.94	481,128.98	803,961.30	864,580.13	1,414,655.11	1,303,206.84	8,316,141.24
Paid to Electric Bond & Share Co.: Commission on bonds sold.....															185,750.00
Engineering, construction fees, etc. <sup>1</sup> .....															226,597.78
Management and supervision fees.....															645,384.26
Interest on loans.....															5,225.62
Total.....															1,062,957.66
Total paid both American Power & Light Co. and Electric Bond & Share Co.....	103,172.00	372,187.81	407,726.90	404,953.19	558,825.67	435,446.77	280,274.61	487,760.40	398,254.94	481,128.98	803,961.30	864,580.13	1,414,655.11	1,303,206.84	9,379,098.90

\* \$203,640.60 paid Phoenix Utility Co.

\* Estimated.

1 June 1 to Dec. 31, only.

Q. Now, I wish you would return to page 166 of the report. From January 1, 1918, to December 31, 1922, did the American Power & Light Co. have a contract for the management and supervision of the Nebraska Power Co.?—A. It did.

Q. What was the compensation received during this period by the American Power & Light Co. under this contract?—A. The compensation received during this period was \$2,500 per year, plus 1½ per cent of gross receipts, exclusive of receipts for power sold to and dividends received on the stock of Citizens Gas & Electric Co., its subsidiary.

Q. From January 1, 1923, to December 31, 1928, with whom was the management contract?—A. Electric Bond & Share Co.

Q. What was the compensation received during this later period from Nebraska Power Co. by the Electric Bond & Share Co.?—A. Two per cent of the first \$1,000,000 of annual gross earnings, 1.9 per cent of the next \$2,000,000 of annual gross earnings, 1.8 per cent of the next \$4,000,000 of annual gross earnings, and 1.7 per cent of the next \$6,000,000 of annual gross earnings, and 1.6 per cent of all over \$13,000,000 annual gross earnings.

Q. In computing the fee were all intercompany transactions between the Nebraska Power Co. and the Citizens' Gas & Electric Co. eliminated?—A. Yes, sir.

Q. In 1918 the gross earnings were how much?—A. The charge on which the fee was computed amounted to \$1,826,507.33.

Q. And the fee paid American Power & Light Co. was how much?—A. \$29,897.61.

Q. In 1922 the gross earnings on which the fee was computed were how much?—A. \$3,185,134.

Q. And the fee paid was how much?—A. \$50,277.01.

Q. That was the last year in which fees were paid to the American Power & Light Co., as I understand you?—A. Yes, sir.

Q. In 1923 the fee was paid to Electric Bond & Share Co.?—A. Yes, sir.

Q. And it amounted to how much?—A. \$67,298.28.

Q. And that same year the gross earnings on which the fee was computed had increased to what sum?—A. \$3,516,626.67.

Q. In 1928 the fee paid Electric Bond & Share Co. was how much?—A. \$92,486.52.

Q. The gross earnings of the Nebraska Co. on which these fees were computed amounted to how much?—A. \$4,915,917.78.

Q. The total fees paid during the period 1918 to the end of 1928, both inclusive, were how much?—A. \$669,665.58.

Q. You have prepared a table, have you not, which shows the fees year by year during this period?—A. Yes, sir.

Q. And the amount of gross earnings in each year on which the fees were computed?—A. Yes, sir.

Q. It appears, does it not, that the gross earnings increased every year?—A. That is correct.

Q. And the fee likewise increased, because the fee was based on a percentage of the gross earnings?—A. Yes, sir.

Q. The information you have given me in this connection this morning is contained in a sheet which you have produced here?—A. Yes, sir.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed the bill (S. 4574) to extend the provisions of the national bank act to the Virgin Islands of the United States, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 4712) authorizing the sale of certain lands no longer required for public purposes in the District of Columbia, with amendments, in which it requested the concurrence of the Senate.

## COAL MINING IN ALASKA—MOTION FOR RECONSIDERATION

Mr. HOWELL. Mr. President, about 40,000 tons of bituminous coal are mined in Alaska annually along the Alaska Railroad. About 35,000 tons of this coal are used by the Alaska Railroad. There are two mines that have been supplying this coal. Both mines are subject to flooding. Under the present law the Secretary of the Interior must advertise for bids for coal, and the company bidding the lowest price receives the award or contract for the entire tonnage of 35,000 tons. There not being enough additional bituminous coal used in Alaska to keep the mine which is unsuccessful in this bidding occupied, it is shut down. It begins to flood; and unless the mine is kept in condition for subsequent operation, when bids for coal are asked the next year there is no competitor.

The Secretary of the Interior requests that he be given authority to buy this 35,000 tons of coal practically by negotiation, so that he may divide the purchases between the two mines and keep them both operating, so that there are competitors for the business of supplying coal to the railroad. At any time if the price of this coal, through cooper-



ation of the two companies, should exceed a fair price, the Secretary of the Interior would be able to open a Government mine that has been closed for some time and supply the needs of the Alaska Railroad.

In accordance with the request of the Secretary of the Interior, a bill on the subject was introduced in both the House and the Senate. The bill first passed the House, came to the Senate, and was referred to the committee appointed to investigate the Alaska Railroad. This committee deemed it an advantage to the Secretary to have attached to this bill a limitation of the price that could be paid for coal; and it so amended this bill, and the bill went back to the House.

We then learned that the House had previously rejected such an amendment; and realizing that the Secretary of the Interior now, at the expense of the Government, is pumping one of those mines to keep it in order so that it can compete at the next letting of contracts for coal, and that this expense might keep up all summer, the committee to which this bill was referred, and which recommended this amendment, directed me to take steps to have the bill returned to the Senate, the amendment eliminated, and the bill passed as it was passed in the House.

Mr. President, I heretofore made a motion for the return of this bill, and it is now on the table of the Senate. I now ask unanimous consent for reconsideration of this bill, as it is really of importance and should pass, involving as it does only 35,000 tons of coal; and I feel that this request should be granted.

Mr. KING. Mr. President, will the Senator yield?

Mr. HOWELL. I yield to the Senator.

Mr. KING. The Government of the United States a few years ago entered upon an unsound and a mistaken policy in the construction of a railroad in Alaska. It has continued that unsound policy at great expense, resulting in the operation of the railroad. So far as I can learn, there seems to be a purpose to continue the operation by the Government of the United States of a railroad in Alaska.

When the project was first launched, the population of Alaska was greater than it is to-day. The progress in the development of Alaska, slow as it was, was greater than it has been since the construction and operation by the United States of a railroad there. That railroad has involved us in considerable expense. I do not know the aggregate amount. I did at the last session of Congress, but I do not recall what the aggregate amount of expense is to date. At any rate, it goes into the millions of dollars.

My understanding was that the committee of which the able Senator from Nebraska is a member, if not the chairman, had made a report which contemplated in the near future the disposition of the railroad by the Government, so that it might be operated by private owners instead of by the Government; but it looks as though we have a chain around our necks. This railroad is chained to the Federal Government, and we are destined to operate it for an indefinite period at increasing costs, or, at least, if not presently increasing costs, they will increase in the future, because the road will need replenishment, new engines, new cars, new tracks. In my opinion, steps should be taken to get rid of this incubus.

Mr. HOWELL. Mr. President, the committee to which the able Senator from Utah has referred has given much attention to this railroad. When the committee was appointed, the deficit in connection with the operation of the railroad amounted to about a million dollars a year. The committee, after investigation, made certain recommendations respecting the operation of this road; and I am pleased to say that this year the deficit in operation will be only about \$250,000. There is also appropriated \$200,000 additional for capital expenditures that are necessary, making a total of \$450,000.

Mr. President, I believe that with attention to this railroad the cost of operation may be reduced and the business increased until operation will no longer result in a deficit. This measure is a step in the right direction. We are continuing to give attention to the road. Reports are being

made to this committee, and I can assure the Senator from Utah that every effort will be made to place the railroad upon a self-sustaining basis; and, with the support of Congress, that can be done, in my opinion.

Mr. KING. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. KING. I am not, of course, criticizing the Senator from Nebraska, but I have heard that statement before, perhaps not from him, but from others who have claimed some familiarity with the matter. The claim has been made that the railroad would be self-supporting. When the project was first inaugurated it was stated that it would soon be self-supporting. But the fact is that the traffic upon the road is diminishing rather than increasing. I think the Government should dispose of this road. There is a similarity between this enterprise and the operation of ships by the Government since the war. I insisted then that they be disposed of. We could have sold the greater part of our immense tonnage for \$50 a ton cash, and taken notes for the residue. We refused to do that. It was said the Federal Government must operate the ships and we lost millions upon millions, as much as \$50,000,000 a year for some time, in the maintenance and operation by the Government of merchant ships. They have now diminished in number. The capital invested has been lost. Four billion dollars involved in the construction and operation may be charged to profit and loss. As most Government operations involved losses, so the Alaska Railroad and the operation of merchant ships involved losses.

I shall not object to the request of the Senator, because perhaps it is an exigency and demands consideration; but I give notice to the committee, and to my able friend, that I shall oppose any further appropriation for the Alaska Railroad, and I shall offer a bill, if no one else does, and at the December session of the Congress calling for the sale of this railroad.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request preferred by the Senator from Nebraska?

Mr. KING. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. KING. This will not displace the motion which has been offered by the Senator from Vermont [Mr. AUSTIN]?

The PRESIDENT pro tempore. This is a transaction by unanimous consent, and will not displace the regular order.

Is there objection? The Chair hears none, and the vote whereby the bill was passed is reconsidered. It will now be necessary to reconsider the vote whereby the amendment was engrossed and the bill read a third time. Without objection, that vote is reconsidered. It will also be necessary to reconsider the vote by which the amendment was agreed to, and, without objection, that vote is reconsidered.

The question is now on agreeing to the amendment which was hitherto agreed to, and the Senator from Nebraska asks that the amendment be rejected.

The amendment was rejected.

The PRESIDENT pro tempore. The question is now on reading the bill a third time.

The bill was read the third time, and passed.

#### REQUEST TO PRINT ARTICLE IN THE RECORD

Mr. NORRIS. Mr. President, I want to submit a unanimous-consent request. In *World's Work* for March and April there is an article entitled "My Brother and I," by William Preston Beazell. I ask unanimous consent to print the article in the *Record*.

The PRESIDENT pro tempore. Is there objection?

Mr. BINGHAM. Mr. President, I do not think the Senator was present when there was discussion this morning about putting a lot of material in the *Record*. Most everything was objected to. Will the Senator tell us how long the article is?

Mr. NORRIS. The Senator on my left, the senior Senator from Washington [Mr. JONES], asks me also what it is about. I will answer both questions.

The article occupies five or six pages in the March issue of *World's Work*, and the conclusion of the article is in the



April issue. The title is "My Brother and I," as I said before. The Senator from Washington asks me what it is about, and I will say in reply that it is an article about Andrew Mellon and the Andrew Mellon fortune.

Mr. BINGHAM. Mr. President, might it be held to be in the nature of political propaganda?

Mr. NORRIS. I would not say so. I am not aware of any understanding having been entered into. I do not want to violate any such agreement, I will say to the Senator. If an agreement has been entered into in my absence, I will abide by it, of course.

Mr. McNARY. No agreement was entered into. A few observations were made.

Mr. NORRIS. I present the request.

The PRESIDENT pro tempore. Is there objection?

Mr. BINGHAM. Will not the Senator let it go over for the present?

The PRESIDENT pro tempore. Objection is made.

#### CALLING OF THE ROLL

Mr. ROBINSON of Arkansas obtained the floor.

Mr. McKELLAR. Mr. President, will the Senator yield to me to suggest the absence of a quorum?

Mr. ROBINSON of Arkansas. I yield.

Mr. McKELLAR. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Davis	Kean	Robinson, Ind.
Austin	Dickinson	Keyes	Schall
Bailey	Dill	King	Sheppard
Barbour	Fletcher	La Follette	Shipstead
Barkley	Frazier	Lewis	Shortridge
Bingham	George	Long	Smoot
Black	Glass	McKellar	Steiwer
Blaine	Glenn	McNary	Stephens
Borah	Goldsborough	Metcalf	Thomas, Idaho
Brookhart	Gore	Morrison	Thomas, Okla.
Bulkeley	Hale	Moses	Townsend
Bulow	Harrison	Neely	Trammell
Byrnes	Hastings	Norbeck	Tydings
Capper	Hatfield	Norris	Vandenberg
Cohen	Hayden	Nye	Wagner
Connally	Hebert	Patterson	Walcott
Costigan	Howell	Pittman	Walsh, Mass.
Couzens	Johnson	Reed	Watson
Dale	Jones	Robinson, Ark.	

The PRESIDENT pro tempore. Seventy-five Senators having answered to their names, there is a quorum present.

#### POLITICAL ACTIVITIES OF REPUBLICAN CABINET MEMBERS

Mr. ROBINSON of Arkansas. Mr. President, it is apparent that no action can be taken regarding the merger bill which it is moved shall be brought before the Senate for consideration. In the event a conference report is brought to the Senate and is ready to be presented before I have finished my remarks, it will please me to suspend to take up the conference report, because I think we all realize the necessity for finishing the work of this session as quickly as possible.

The "three musketeers" of the Hoover administration are the Secretary of the Treasury, the Secretary of War, and the Secretary of Agriculture. They scoff at the proposal of the great nominee of the Democratic Party for President that the American people be given a new deal. Do these "three musketeers" insist on playing the game with marked cards?

Plainly, there is a widespread demand for a change in the political policies of our Government. Every possible effort is being made by these Cabinet members to discredit the Democratic platform and the Democratic candidates. They go forth by day and by night, to partisan meetings, to Republican State conventions, and deliver bitter partisan addresses, cause or permit them to be inserted in the CONGRESSIONAL RECORD, and attempt, while neglecting their official duties, to influence and control the judgment and action of the electors of this Nation.

With a deficit of \$2,900,000,000 in the Treasury, as declared by the Secretary of the Treasury himself, with a new tax bill to be administered, with questions pertaining to the national finances constantly and continuously being

presented, one would think that Secretary of the Treasury Mills would have enough to do to stay at his post of public duty and discharge his official responsibilities, without abandoning and neglecting his duties to participate in a partisan political campaign. Of course the Department of Agriculture is probably just as well off with its head, Secretary Hyde, absent from his post as if he were present in the Capital. [Laughter.]

All of these Cabinet members, I believe, at least two of them, have denounced the Democratic nominee for Vice President, and in efforts to arouse prejudice have declared that he is the champion of a policy to put the United States Government into private business. What will the people of the Nation think of such a declaration when it is made clear that every measure suggested or promoted by the Hoover administration for the relief of the unusual conditions that prevail has been to put the United States Government to operating in a sphere which by common consent has heretofore been regarded as properly occupied by private citizens and private industries?

#### THE GOVERNMENT IN BUSINESS

These speakers all boast of the Reconstruction Finance Corporation as a monumental achievement on the part of the Hoover administration, and yet there is not a Senator who hears me nor a citizen who will read my address who does not realize that every activity of the Reconstruction Finance Corporation belongs in normal times to the sphere of private business. Am I mistaken in that assertion? If so, let some one better informed than your speaker rise now and point out the error. The Government habitually does not finance banks. Banks procure their loans in normal times from private sources. The Government usually does not lend its credit to railroads. It has done so in times of emergency. Railroads usually are expected to find their financial assistance in private sources. The Government ordinarily does not make loans to farmers. It has been compelled to do so by reason of the extraordinary and discouraging situation which confronts almost every man who earns his living by toiling in the field.

When reference is made either expressly or by implication to the proposal that all persons and all industries be given equality of treatment, any criticism fairly applicable is not based on principle but based on difficulty of administration. There is no one here who will say it is sound governmental principle to use the credit or resources of all the people for the benefit of a few of the people. The President thought enough of the proposal that the Government make loans to private industry to come down to the Senate and personally deliver a message urging that that be done. So that, I repeat, the difference between the two proposals is that the President's proposal discriminated in favor, necessarily, of a few established industries. There is no one here who thinks that the Reconstruction Finance Corporation could make loans without discrimination to all established private industries. Necessarily there is involved in any proposal to make loans of that character a policy of discrimination—the use of the funds of all the people for the assistance of a few of them. Admittedly the problem of administering the act so as to make loans to every applicant offering adequate security is exceedingly difficult to solve.

When these "three musketeers," with rattling sabers and flashing armor, go forth to proclaim the policies and wisdom of the administration and criticize the Speaker, let them remember that he advocated equality of treatment and that they insist upon partiality of treatment, and that the real difficulty in the Speaker's proposal was a matter of administration and not of principle.

#### GOVERNOR ROOSEVELT'S REFORESTATION PLAN

Secretary Hyde and Secretary Mills ridiculed, or attempted to ridicule, the proposal of the Democratic nominee, Mr. Roosevelt, that reforestation be used as a means of relieving in part unemployment.

Mr. NORRIS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Nebraska?

Mr. ROBINSON of Arkansas. I yield.



Mr. NORRIS. I notice on the desks of some Senators a little pamphlet that is being distributed over the country, part of a great propaganda to raise money to reforest Palestine. It is proposed to plant a forest over there called the "George Washington Forest." The latest report from the Department of Agriculture, I understand, is that Secretary Hyde intends to take a day off from his labors here, go to Palestine, and plant all of those trees in one day. [Laughter.]

Mr. ROBINSON of Arkansas. Oh, yes; plant trees in Palestine and, as Secretary Hurley said last night, "Save Germany," but leave our forest lands unused and our own country neglected and overburdened. Do not misunderstand me. I do not pose as an authority on forestation, but from what I have read of Secretary Mills's views and those of the Secretary of Agriculture on the subject, I am vain enough to assert that I know more about the subject than either of them.

Mr. LONG. Mr. President, the Senator does not mean to compliment himself by that statement, either, does he? [Laughter.]

Mr. ROBINSON of Arkansas. No; the statement of the Senator from Louisiana is correct. It is a polite way of saying that while the Secretary of Agriculture is the head of the Forestry Service of the United States and presumed to have some familiarity with the subject, he is pathetically uninformed respecting it, and I propose to prove it, not by any application of scientific principles but by summoning to the consciousness of Senators facts that will be readily admitted and easily comprehended.

These "three musketeers," when they go forth again rattling their sabers for the blood of Democrats, will do well to bear in mind that in ridiculing the Democratic nominee they have invited to his support thousands of citizens of the country who realize that forestation or reforestation is a subject of vital importance not alone to the millions who live now but to generations which are to come after us.

The Secretary of Agriculture, in his eagerness to discredit the great nominee of the Democratic Party, Governor Roosevelt, made a statement which discloses surprising ignorance touching the subject of forestry. He said:

One man can plant something near a thousand trees per day. One million men therefore could plant about one billion trees in a day. Suppose there were 300,000,000 seedling trees available, a million men could plant them in about three hours.

That is a declaration from a Cabinet officer in the Hoover administration, a Cabinet officer charged with responsibility touching the great business of agriculture and touching the subject of forestry. Certainly there are several ways of planting and transplanting trees. Anyone, not necessarily a Cabinet officer or a Senator, but anyone of ordinary intelligence—yes, anyone of sufficient intelligence to be responsible for his conduct—knows that the Secretary's declaration is absurd. If the Secretary did not make it in ignorance, he is the more to be criticized for attempting to deceive the American public by misrepresentation of the facts.

To prepare the ground, dig the holes, and properly plant trees is a task that can not be performed at the rate of 125 trees per hour by an individual; and if there is anyone who hears my declaration who doubts its correctness, if there is anyone here who thinks he can plant two trees a minute so that they will grow, he ought to be out of the United States Senate and in a sphere where he can accomplish some good. [Laughter.]

Mr. NORRIS. He ought to go to Palestine with Hyde.

Mr. ROBINSON of Arkansas. Oh, yes. Well, I do not choose to determine where he ought to go.

That is the basis upon which Secretary Mills and Secretary Hyde both ridicule the Democratic candidate for President of the United States.

Mr. President, the subject of reforestation is of great importance. A few years ago this country possessed what appeared to be unlimited forest resources. During the last 25 years those resources have been consumed, destroyed, or wasted, until one of the great problems now facing our country is to provide industry and citizens with the timber

resources essential to enable them to carry on their normal activities.

A tree is not a thing to be mocked at. It is a thing of beauty and of value. "Only God can make a tree"; but human hands, guided by reasonable intelligence, can plant trees and cause them to grow; and, without regard to the efforts to discredit the Democratic nominee and to belittle his proposal, let it be remembered that the planting of trees is a practical means of employing many of our citizens and an activity that will result in great benefit, both private and public.

#### PROGRAM OF DEMOCRATIC PARTY

The Secretary said that he desired to make a comparison of the definite, logical, constructive, and all-inclusive—and, I think, he might have added the inexplicable and incomprehensible—plans of President Hoover with the plans of Mr. Roosevelt. He has also declared that the Democratic Party has no program.

Mr. President, believing that "a party platform is a covenant with the people to be faithfully kept by the party when entrusted with power," the Democrats in convention at Chicago said, in a few plain words, what they proposed to do if successful in the approaching election.

Mr. GORE. Mr. President—

The PRESIDING OFFICER (Mr. VANDENBERG in the chair). Does the Senator from Arkansas yield to the Senator from Oklahoma?

Mr. ROBINSON of Arkansas. I yield to the Senator from Oklahoma.

Mr. GORE. I just wanted to suggest at this point that more than a quarter of a century ago Theodore Roosevelt anticipated an approaching famine in the timber resources of our country and undertook to take steps to prevent it.

Mr. ROBINSON of Arkansas. Yes; but there is a wide breach between a Theodore Roosevelt Republican and a Hoover Republican. [Laughter.] Do not forget that, my friend.

When the Secretary made the declaration that the Democrats have no program he perhaps was indulging in the license usually enjoyed by a partisan political speaker; but the Democrats have a program, and it is definite and clearly stated. One can not say that much of the Republican program, either that of the present administration or that enunciated in the platform upon which the Republican Party is making its campaign this year.

#### UNEMPLOYMENT RELIEF

The Democrats, among other things, declared for "the spread of employment by a substantial reduction in the hours of labor, the encouragement of the shorter week by applying that principle in Government service," and for "advance planning of public works." That in itself is a program well worthy of support by the American people in this time when almost 10,000,000 workers are out of employment.

The Democrats advocate, too, "unemployment and old-age insurance under State laws." I know it may be said that by the declaration in the platform this is not a matter to be determined by national legislation, but there is or should be a measure of coordination between the State and the National policies of a political party, and this is a declaration in favor of a great forward step in the matter of providing for the unemployed and for those who, by reason of old age, are unable to secure employment or to earn a living by employment. Of course, one can readily understand that the Secretary of War would not look with favor on that declaration, but it is nevertheless part of an important program.

#### AGRICULTURAL RELIEF

With respect to agriculture, I shall have somewhat to say on that subject before concluding my remarks, particularly with reference to what I believe is the failure of the present administration to accomplish anything of substantial benefit in behalf of farmers. The Democratic program is for the—

Better financing of farm mortgages through recognized farm-bank agencies at low rates of interest on an amortization plan,



giving preference to credits for the redemption of farms and homes sold under foreclosure.

Extension and development of the farm cooperative movement and effective control of crop surpluses—

And so forth. Certainly this program with respect to financing farm mortgages presents difficulties; certainly the problem will not be easily worked out; but it is, nevertheless, a proposal of vital interest and concern to almost one-half the population of the United States, and it is part of the Democratic program.

#### THE NATIONAL DEFENSE

The Secretary ridicules the declaration in the Democratic platform concerning national defense, declares that it is based on the ignorance of the framers of the platform, who said that the cost of national defense was rapidly "approaching a billion dollars annually." He asserted that the cost under the Army and Navy appropriation bills this year aggregated about \$602,000,000 and that there was therefore a 40 per cent error in the platform declaration.

It must be remembered that these bills do not carry all the items which are properly associated with the subject of national defense. It must be remembered that during recent administrations the expenditures have been rapidly increasing. It should also be recalled that in times like this the burden is difficult to bear. While the Democrats have declared for maintaining the national defense, they believe that reductions can be made in expenditures, and I have not the slightest doubt that the Chairman of the Military Affairs Committee of the Senate, the Senator from Pennsylvania [Mr. REED], recognizes that to be true.

#### SUPERVISION OF SECURITY OFFERINGS

The Democratic program declares for the—

protection of the investing public by requiring to be filed with the Government and carried in advertisements of all offerings of foreign and domestic stocks and bonds true information as to bonuses, commissions, principal invested, and interests of the sellers.

This is no trivial recommendation. It is important. We all recall what happened on exchange in 1929. It is comparable to those incidents in history known as the Mississippi Scheme, the South Sea Bubble, and the tulipomania.

It will be recalled that John Law, Scotch fugitive from justice, repairing to France, became the friend and companion of the regent, the Duke of Orleans; that he established a bank. The strange thing is that the original plan of John Law is regarded by many financiers of this day as sound. But under the influence of the regent and pressure from the public, he issued too much paper money, offered to sell stocks in what is known as the Mississippi Scheme, and, amazing as it may appear, wealthy persons in France and poor citizens of France made every possible sacrifice to buy the John Law stock. He established himself in a public place. It became the center of all social and political activity in the great French capital. Men and women were so eager to buy these stocks at a thousand times their actual value that they fought and trampled one another to death in the streets. When the scheme exploded it took France almost an entire generation to recover from it.

About the same time there occurred in England what is known in financial history as the South Sea Bubble, a scheme originated to finance warrants or debts due members of the army and the navy. It grew in popularity until the scene in Paris was repeated. Thousands of Englishmen who wanted something for nothing raced with one another in efforts to buy the stock. Fortunes were made overnight; but when the bubble exploded it took England almost a generation to recover from the speculation.

Queerest of all is the tulipomania, an incident in Dutch financial history.

Prior to the Mississippi Scheme and the South Sea Bubble some one took tulip bulbs into Holland, and the Hollanders began to grow them. They became amazingly popular. Tulip exchanges were established, to the almost complete exclusion of all other forms of exchange. Notaries public became known as tulip notaries. A gentleman or a lady in

society who could not display a choice tulip bulb, which looked almost exactly like an onion, a tulip bulb that cost from two to five thousand dollars in our money, could not lay claim to prominence, either social or political. Thousands of persons sold their homes and invested the proceeds in tulip bulbs. [Laughter.] This is no jest. It is historic.

The day came when some one began to sell tulip bulbs, and the market began to decline, and in a little while it found a very low level. What happened? Dealers went to the Dutch Government and asked Holland to stabilize the market of tulip bulbs, and the government attempted to do it; but in a little while it became apparent that such a thing was impossible, and so thousands of investors lost their fortunes.

A similar thing happened in the United States, climaxing in 1929.

Mr. LEWIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Illinois?

Mr. ROBINSON of Arkansas. Certainly.

Mr. LEWIS. If I may be pardoned by my eminent friend for strengthening his suggestion when he said it must not be thought that this is a jest, referring to the financial and general conditions as he has described them with reference to bulbs in Holland, I recall to his mind, if there be those who think his observations a jest, that they will find the matter discussed in a romance by Alexandre Dumas known as the Black Tulip, where all that the eminent Senator is now referring to is set forth, but with details far more harrowing than those he could give in the short time his speech may allow.

Mr. ROBINSON of Arkansas. Yes, Mr. President; the tulipomania is an authentic incident in human history.

Mr. GORE. In 1636.

Mr. ROBINSON of Arkansas. In 1634 and immediately following. It is comparable to what happened on the New York Stock Exchange and other exchanges in 1929.

You will recall that poor people, or people with very limited means, made investments in stocks—stocks that had very little earning power, but which, for some magical or mysterious reason, were constantly mounting in market value.

Mr. LONG. Mr. President, will the Senator permit just one remark there?

Mr. ROBINSON of Arkansas. Certainly.

Mr. LONG. I notice that the Senator compares the stock-exchange disaster of 1929 to the bubble and bulb disasters of foreign countries. In this instance, however, it was a matter of water. There was neither bubble nor bulb.

Mr. ROBINSON of Arkansas. Well, Mr. President, I think the comparison is accurate. Stocks that had no earning power, or little earning power, sold for enormous prices, and the prices kept rising for a time; and when they rose, speculators made enormous profits. Bonds could not be sold in those days. Real estate began to decline comparatively in value. Enterprise found no support. Commodity prices began to fall, because all financial resources were being concentrated in speculation; and at last, just as in the three amazing cases I have cited, the price began to decline, because people began to come to their senses.

And how was this extraordinary and unreasonable value of stocks brought about? Partly by that spirit of speculation, that desire to procure something for nothing, which occasionally has manifested itself among civilized peoples throughout the centuries. But from the President of the United States down, officials of this Government under the Coolidge administration encouraged this spirit of speculation, asserted that prices of stocks were not too high, and prompted thousands to pour the savings of a lifetime into a hole that had no bottom; and when the decline began, it gathered volume. Investors or speculators were seized with fear. They disposed of their stocks as rapidly as possible. Many found their holdings pledged to secure debts—pledged at values which never had any sound basis upon which to rest—and when the market value declined below the hypothecated value, foreclosures resulted. Millionaires became



paupers, and citizens who thought themselves well to do were forced to face a gray dawn in which they realized that with earning power diminished they were driven to the necessity of starting life anew.

The administration, by its policy and by its announcements, and by permitting banks to make speculative loans—loans to promote speculation—brought about this condition, and is responsible for it.

Secretary Hurley said last night that world conditions were the controlling factor. I say to you that the primary influence was the unrestrained, unreasonable speculation, and that it was encouraged and assisted by the administration of the party for which Secretary Hurley assumes to be spokesman.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Virginia?

Mr. ROBINSON of Arkansas. Certainly.

Mr. GLASS. May I suggest to the Senator that this Government contributed to world disturbance, and that the Federal reserve system alone had loaned \$2,000,000,000 of its resources to European speculators.

Mr. ROBINSON of Arkansas. Yes; the same spirit that destroyed the fortunes of the poor seemed to animate the Government or its officers, and threatened the foundations of big business.

The Democratic program which Secretary Hurley and Secretary Mills deride demands not only supervision of bank transactions in stocks and foreign securities, so that never again during the passing of the years, while the Democratic Party is in power, can the disgraceful debacle of 1929 in the stock market be repeated, but it goes farther than that. The Democratic program says that the instrumentalities which the United States creates in the form of banks can not employ their resources for speculative purposes.

One man who has achieved more in bringing about that feature of the program than any other does me the honor to listen to what I say. I refer to the Senator from Virginia [Mr. GLASS]. Since he began the fight on that proposition he has been compelled to encounter the forces of criticism and wrath from financiers who have indulged in practices which ought never to have been engaged in, and who wish still to have the opportunity to use the resources entrusted to them for purposes that are not within sound principles of banking. That is a part of the Democratic platform and program, and I would like to hear the Secretary of War and the Secretary of the Treasury deride that purpose, that feature, before an audience of American citizens.

#### REGULATION OF POWER COMPANIES

Mr. President, the Democratic platform declares for the "regulation to the full extent of Federal power of holding companies which sell securities in interstate commerce; the regulation of rates of utility companies operating across State lines," and regulation of exchanges trading in securities and commodities.

As a part of the era of wild speculation which I have described there came a time of overcapitalization. Great companies watered their stock several times and sold it at prices far exceeding actual value, and they found abundant investors. They based their rates for service on the watered stock in many instances.

The Democratic program is to regulate and restrain such methods in the interest of the public. I would like to hear one of the "three musketeers" deride that program.

Already reference has been made to the subject of better bank supervision and the restriction of Federal reserve banks in permitting the use of Federal reserve facilities for speculative purposes.

#### CANCELLATION OF DEBTS OF FOREIGN COUNTRIES

Another feature of this program is contained in the following declaration:

We oppose cancellation of the debts owing to the United States by foreign nations.

There is nothing ambiguous in that declaration. Is any comparable provision to be found in the Republican plat-

form? The Chicago Republican convention was as silent as the tomb on the subject. Republicans tell us that they are opposed to cancellation, and in his speech last night Secretary Hurley actually impliedly charged that the Democratic candidate for President is in sympathy with the cancellation of foreign debts. There is no foundation whatever for the statement. The platform is plain and unequivocal, and the Democratic candidate said he accepted it 100 per cent. The platform which Mr. Hurley champions contains no declaration on the subject.

#### DEFICITS OF HOOVER ADMINISTRATION

Now, I digress for a moment to refer to one of the statements made in the beginning of Secretary Hurley's address, the glorification of the policies and measures of the Hoover administration.

Mr. President, I think it is not unjust to say that the Harding administration goes down into history as an era of graft and corruption.

I think it is not untrue to declare that the Coolidge administration was a time of mergers, consolidations, and overcapitalization, which in themselves have contributed in some degree to the conditions which now prevail.

The Hoover administration has been marked by a very strange policy. For three years the policy of this administration has been to minimize and conceal deficits by exaggerated overestimates of returning prosperity and consequent revenue. The policy has resulted in staggering deficits, which are the most important causes of continued depression. Confronted with the most desperate crisis in our history, the administration's offerings were, first, a repetition of this hazard with the credit of the United States by putting forward new exaggerations of estimated revenue.

In another address in this Chamber I have gone into that subject in detail and have shown that every estimate made, either by former Secretary Mellon or by the present Secretary of the Treasury, Mr. Mills, was strangely at variance with the true receipts of the Treasury. Scarcely in a single instance have their estimates come within a hundred million dollars, in some cases the variance being \$600,000,000, of the actual amount; and we recall now that during this session of the Congress, when the great task we have been cooperating with the administration to perform has been to raise revenue sufficient to meet the deficit, every time we proposed to levy a tax to raise more revenue, they came in and admitted an additional deficit, and we had to raise still more taxes. So that at the end it was said by Secretary Mills that this year's deficit would be something like \$2,900,000,000, almost three-fourths as much as the Civil War cost the Government of the United States.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. I yield.

Mr. McKELLAR. The Senator will also recall that Mr. Hyde and Mr. Mills and Mr. Hurley appeared in person or by letter before the Committee on Appropriations and fought vigorously every attempt to reduce expenditures in their respective departments.

Mr. ROBINSON of Arkansas. The Senator is anticipating my remarks.

Mr. McKELLAR. I beg the Senator's pardon.

#### ERRONEOUS ESTIMATES IN BALANCING THE BUDGET

Mr. ROBINSON of Arkansas. I am stating now the characteristic policies and measures of the Hoover administration.

The Reconstruction Finance Corporation is an important body. Its success was predicated from the beginning on a balanced Budget. Its failure was inevitable unless the Budget were balanced.

Another feature of the fiscal policy of this administration was that it sought to balance the Budget by improbable anticipations of returning prosperity. Every estimate sent to the Ways and Means Committee of the House and the Finance Committee of the Senate as to the amount of revenue necessary to balance the Budget was based on an assumption that there would be a 20 per cent or more return in prosperity within a short period. Since prosperity did not

return, and business in consequence failed to revive, the deficit was still further increased.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. I yield.

Mr. TYDINGS. I would like to point out, in line with what the Senator is saying, that one afternoon while the tax bill was before us for consideration the Secretary of the Treasury and the administration spokesman in the Senate said that the Budget was balanced. The very next morning at 11 o'clock the same people, the Secretary of the Treasury and the administration spokesman here, admitted it was \$275,000,000 short.

Mr. ROBINSON of Arkansas. Yes; and we, like faithful officers, raised our sights and took another shot at American business and industry, found new sources of taxation, and used them without remorse.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. I yield.

Mr. FLETCHER. With reference to the deficit, it is estimated now that the deficit is about \$3,000,000,000, the largest deficit ever incurred by a government of this or any other country except during war. I call attention to the fact that in the previous fiscal year, ended June 30, 1931, there was a deficit of approximately \$903,000,000, while in each of the preceding years back to 1920 there was a surplus. Now the deficit is nearly \$3,000,000,000.

Mr. GORE. Mr. President, I would like to suggest, while Senators are making much ado about the deficit, that it is only \$8,000,000 a day, after all.

Mr. ROBINSON of Arkansas. Mr. President, the Senator from Oklahoma has a very happy way of throwing humor into a tragic situation. I envy him the power of thought and of expression that enables him to enliven our proceedings in that manner. But, after all, Mr. President, the point I am trying to make clear is that the administration has not dealt frankly with the American people in the matter of deficits. For three years it has been covering up deficits, in the hope, no doubt, that business would be quickened and revived, and that revenues would be increased, and that their mistakes would be completely covered.

Another feature of this mistaken policy was the taxing of the point of least resistance instead of taxing that which is actually essential for economic welfare, with a resulting tax bill which was so unequal and abortive as of itself to constitute a barrier to returning business.

#### ECONOMY IN GOVERNMENT

A great deal has been said about the subject of economy. The Secretary of War last night declared that the provision in the Democratic platform urging reduction in Federal expenditures by 25 per cent was rank hypocrisy. The Secretary ought not to use language of that character, in view of some facts which I am going to point out in connection with previous campaigns. The simple truth is that the Government of the United States has grown too big and costs too much, and ought to be reduced in size and expense, and that thought is close to the hearts of the American people. That it is a difficult problem, those of us who have been studying it during recent months can not deny. But it is possible and the task ought to be undertaken and carried out.

The Secretary said that Congress has been very unwise and unjust in denying the President the power to make economies and to put them into effect, the implication being that the President ought to be given the authority to make any changes in the Government that appeal to him as necessary, advisable, or economical. The President, under authority enacted by Congress, now has the power to consolidate and abolish bureaus, and he has done little or nothing under the power that he now has. When the Senate of the United States unanimously passed a resolution a few weeks ago calling upon the President to consult with his Cabinet and recommend to the Congress specific means and measures for the reduction of Government expenses, he declined to make reply.

#### REDUCTIONS IN GOVERNMENT EXPENDITURES THWARTED

The President commended his Cabinet officers in public statements and messages for their efforts to procure econ-

omy when every Senator who hears me knows that when an effort was being made to reduce the cost of Government it was the President's Cabinet officers who came down here and used all the influence they possess to thwart the efforts of Congress. They sent out into the country and appealed to citizens to send to Washington threats and appeals to Members of Congress to keep them from doing that which Secretary Hurley said the President was so anxious to do, and which the President's Cabinet was so anxious to do, but for the indifference or negligence of Congress.

The "three musketeers" were the greatest offenders. They did not want any reductions made in the expenditures of the departments of which they are the heads. They advocated reductions in the abstract, but opposed them in the concrete. The President had ample power to make specific recommendations. What he desired and what they wanted was that the President be given a free and unrestrained hand to do anything he pleased or wished. Congress did not grant that. It performed its duty to a degree and retained a measure of supervision over reductions or changes that were to be made.

It flashes into my mind now that Secretary Mills denounced the Congress in his speech for seeking to take back to itself the power to fix tariff rates.

Mr. CONNALLY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Texas?

Mr. ROBINSON of Arkansas. I yield.

Mr. CONNALLY. Before the Senator leaves the matter I wish he would advert to the furlough situation. I was informed by a gentleman in one of the departments the other day that it would cost more just to administer the furlough plan than the Government would save by the 8.3 per cent reduction in salaries.

Mr. ROBINSON of Arkansas. Oh, yes; I think the furlough system is a failure so far as it may be regarded as a measure of economy. Senators will remember that when the Economy Committee had reported and recommended a straight cut in salaries, the President came down and from the Vice President's desk commended the committee and appealed to Senators to stand by the committee, and the very next day his Secretary, Mr. Newton, was here attempting to influence Senators to repudiate the action of the Economy Committee and to sustain the President's pet program of furloughs. After it was sustained it became apparent that very little economy would result from it, but that incalculable inconvenience and displacement and disorganization were certain.

#### THE TARIFF

Mr. President, I was referring to the criticism of Congress by Secretary Mills in connection with the flexible provision of the tariff law. He was outraged. His sense of justice and good government was greatly shocked and he was rendered anxious because the Democrats had sought to take back to the Congress the power which the Constitution imposes upon it to levy duties, imposts, and excises. In the very next paragraph of his speech he denounced in unmeasured terms the proposal of the Democratic Party for international conferences respecting reciprocal tariff duties and declared that under the Constitution Congress is the sole power that can deal with subjects pertaining to the tariff, and that the Congress ought not to divest itself of the authority which the Constitution reposes in it. Reconcile those two declarations, Mr. President, and you will have performed a very difficult, indeed an impossible, task.

#### PROGRAM OF DEMOCRATIC PARTY

Something has been said from time to time during the course of my remarks about the Democratic program. Secretary Hurley was greatly disturbed because he said the Democrats could not do anything but wait until the Republicans adopted their platform in order to see what the Republicans were going to do. He repeated the assertion that the Democrats had no program.

In addition to that relating to the cancellation of debts, the regulation of public utilities, the supervision of banks, the supervision of the stock market, the refinancing of



agricultural mortgages, the establishment of State systems of old-age unemployment pensions, the reduction of hours of labor, the maintenance of the national credit by an honest annual balancing of the Budget, there remain other important features of the Democratic program including a declaration in favor of eliminating corrupt practices in elections by continuous publicity of political contributions and expenditures. It is of vital importance that the integrity of elections be maintained. Experience has shown how often corrupt agencies have thwarted the will of the people by the use of excessive funds in elections. The Democratic party commits itself to limiting those expenditures and to the protection of the public against the evils of corrupt practices in elections.

Mr. President, I have said that the Harding administration may properly be characterized as an era of graft and corruption, that the Coolidge administration was distinguished or marked by mergers, consolidations, overcapitalization, and similar processes culminating in an orgy of speculation that well-nigh wrecked the fortunes of the people of the Republic. Let me point out that there are three outstanding measures of the Hoover administration, the administration which Secretary Hurley lauds with such emphasis and pride. What are those three outstanding measures?

#### THE SMOOT-HAWLEY TARIFF ACT

The Smoot-Hawley tariff act of 1930 is one. At a time when every consideration of the public interest and every thought of the promotion of private business and the collection of foreign debts due the United States Government should have prompted a fair revision of the tariff downward, the Republican Congress, after having been called to Washington by the President to revise the agricultural tariff rates, entered upon a general revision and raised the tariff barriers higher and higher until in many instances they absolutely shut out all imports. Many prohibitive duties were imposed. Under that policy the Republican administration diminished exports, made more difficult the collection of foreign debts, and impaired the success of domestic industries and commerce.

Out in the great stretches of our country are thousands of men and women who lift their faces to heaven in prayer for relief from conditions which no act of theirs has brought about. All throughout this Republic there is a demand for revision of the tariff laws in the United States so as to permit fairer and fuller intercourse, so as to preserve and rebuild our foreign trade which has well-nigh been destroyed by an inexcusable policy of exclusiveness and isolation. One country after another, following the enactment of the Smoot-Hawley Act of 1930, enacted retaliatory tariff measures. The United States found her domestic commerce shrinking, her foreign commerce almost wholly destroyed. One feature of the Democratic program is to right and correct that condition.

Ah, but Secretary Hurley says the Democrats can not do anything on the subject of the tariff because they voted for tariffs themselves. In many instances Democrats did vote for tariffs on commodities grown or produced within their States, no doubt on the theory that it is unjust, unfair, and oppressive to permit whatever special privileges grow out of a protective tariff to be conferred on a few industries in which their people are not concerned. But underneath it all is the sound proposal of the Democratic Party to enact a competitive tariff for revenue. No; it will not enable the maker of trust-controlled goods in the United States, like the Aluminum Co. of America, to fix whatever price that maker wills, and then, shielded by a tariff law, raise again and again the price of his products still higher. But it will give the quick-minded, brave-hearted American citizen an equal chance in the struggle of life with any other people and with all competitors. That is what he is entitled to and that is all he is entitled to. He will take his chance on that and he will win.

#### THE FARM BOARD

The second notable act of the Hoover administration is the farm marketing act.

Senators have heard of that before, have they not? Secretary Hurley said last night, attributing everything good that has come during recent years to the wisdom and efforts of President Hoover:

He directed the Farm Board to take and hold the surplus until better markets could be obtained.

Yes; we appropriated \$500,000,000 of public money to be used by the Farm Board for that purpose. They have lost in their ventures \$250,000,000; the remainder is invested in surplus products; and the prices of the products dealt in have gone lower and lower, until now, with two exceptions, they are lower than they ever were before in the history of American agriculture. And that is a subject of boast by the Secretary of War, who is so blinded and infatuated by his impressions of the glory and dignity and power of the head of the administration that he can see a gigantic accomplishment on the part of the Farm Board in behalf of American agriculture; and yet, out in the homes on the hills of our country, and in the homes that nestle in the valleys, there are millions of American farmers who are having their homes sold under the hammer of the auctioneer solely because the prices of their commodities are so low that they are unable to realize the cost of production much less to put apart a portion of the proceeds for payment on the mortgages which cover their homes. Ah, I am glad to meet the challenge of the Secretary of War for a comparison of programs, for a consideration of the record of the administration.

#### THE MORATORIUM

Another notable act of the Hoover administration, according to the Secretary of War, is the moratorium. We all remember that when the time was coming on last summer for the payment of the installments due us from foreign debtors the President summoned to Washington or called by telephone many of the Members of this body and committed some of them to his proposal to suggest a moratorium to Germany and to the Allies who are our debtors. Mr. President, it was quite a different thing from granting a moratorium when the necessity for it was present and from suggesting it as a part of an international policy by the President of the United States. Some of those debtors were far more able to pay their obligations to the United States than the United States was to have the obligations postponed. Already there was an astounding deficit in the Treasury of the United States. The people of those countries were far more able to pay the taxes necessary to raise the installments due on the debts than were the people of this country, stricken as they were by drought, by famine, by the destruction of foreign and domestic markets, and the consequent decline in commodity prices.

The result of the moratorium, the Secretary declared last night, had no relation to the cancellation of the foreign debts; and yet I think that it did have relation to that subject; true, not direct relation but indirect relation; for, as a natural consequence, we are now confronted with a request for a cancellation or reduction of those obligations.

#### CANCELLATION OF FOREIGN DEBTS

I am not going to review, because it has been recently fully discussed, the question whether representatives of the United States, acting officially or unofficially, committed themselves or sought to commit their Government to a proposal to reduce or cancel those debts. I do know that foreign debtors have combined in an agreement that they will forgive the obligations of Germany due them on condition that the United States cancels the debts which the foreign debtor nations owe this Government; and I know that the President states in his letter to the Senator from Idaho [Mr. BORAH], a letter of this date, that he was not a party to that arrangement; that he knew nothing about it; that he does not consent to it and will never consent to pressure being put on the American people by a combination of foreign debtors; and yet I know that in the future we will be asked to say whether we will transfer the remainder of this load of debt to the backs of our already overburdened people or leave it where it belongs—on the governments and peoples who contracted it.

Mr. BAILEY. Mr. President, at this juncture in the Senator's very able and interesting and timely speech I wish to call attention to the statement issued at the time when the Premier of France, M. Laval, was here, the statement having been authorized by the President and the Premier.

In so far as intergovernmental obligations are concerned—

Clearly referring to reparations and debts—

"In so far as intergovernmental obligations are concerned," say Mr. Hoover and M. Laval, "we recognize that, prior to the expiration of the Hoover year of postponement, some agreement regarding them may be necessary covering the period of business depression, as to which the two governments make all reservations. The initiative in this matter should be taken at an early date by the European powers principally concerned within the framework of the agreements existing prior to July 1, 1931."

So, if recently European powers have united in a concord with a view to the attitude of the United States, it is perfectly plain that it was at the suggestion of the President of the United States.

Mr. HARRISON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Mississippi?

Mr. ROBINSON of Arkansas. I yield.

Mr. HARRISON. I do not know whether the Senator may have the information or not, but, if he has, will he tell the Senate, if the President is now so strongly against the cancellation of the foreign debt or any part of it, first, why the Republican Convention did not have the courage to put such a declaration in their platform instead of keeping quiet about it, and, second, why it was that at the beginning of the present session of Congress the President of the United States came here and asked for the recreation of the War Debt Funding Commission?

Mr. ROBINSON of Arkansas. Mr. President, frankly, it seems to me the policy of the administration has meant a revision of the foreign debts. I do not wish to put myself in the attitude of questioning the veracity of anyone, but I think the only meaning that the suggestion for the revival of the debt-funding commission could have would be a reduction or revision in some way of the debts. I do not know what else it may have meant. I do not understand what would be the advantage of reviving the commission unless something of that nature were in contemplation.

But, Mr. President, I am marking out now clearly that there is nothing in the record of the administration, either in its fiscal policies, its domestic measures, or its foreign policies that justifies the arrogance displayed by the "Three Musketeers" in their public addresses. It does not lie with them to denounce the Democrats as hypocrites or as lacking in patriotism.

#### REPUBLICAN EXPERIENCE IN GOVERNMENT

The Secretary of the Treasury, in his Boston speech, concluded, I believe, by saying that the Republican Party had had a long experience in control of the Government, and he did not believe the people would require the "veterans" to retire.

Mr. President, neither in President Harding's administration, nor in that of President Coolidge, nor in that of Mr. Hoover is there anything of which to boast.

#### CAPITALIZATION OF DISCONTENT

The Secretary of War last evening complained bitterly that the Democrats had capitalized discontent and had laid the blame on the present administration, in part, at least, for the difficulties under which our people struggle. I wonder if anybody, I wonder if you gentlemen in the press gallery, have forgotten what happened in the campaign of 1928. I wonder if you remember the propaganda that the Republican Party carried on in order to win that election? Surely, in view of the great indignation of the Secretary of War about what he calls unfair and prejudicial political methods, I am justified in recurring to that. The President said, "We have abolished poverty." In the Washington Herald of October, 1928, there was published a political advertisement a copy of which I hold in my hand. The headline is "A Chicken for Every Pot." [Laughter.]

Mr. GLASS. And we have not even got the pot. [Laughter.]

Mr. ROBINSON of Arkansas. We have got the pot, yes; but in the pot is crow instead of chicken. [Laughter.]

Mr. GLASS. Well, the housewife has been compelled to pawn the pot for a dust of meal. [Laughter.]

#### PROSPERITY

Mr. ROBINSON of Arkansas. In every national campaign since I was a boy—and I have been making assaults with intent to make political speeches ever since I was 19 years old, and sometimes I think the older I get the poorer and more ineffective become my efforts—the principal claim that the Democrats had to contest in order even to have a chance for victory was "prosperity." Have you forgotten that? "Oh, do not stop the wheels from turning! Do not strike a blow at industry! Let the smoke ascend from the factory chimneys. Hear the voice of prosperity in the whirl of machinery. See it as it gleams and glistens in the glossy fabric of the loom. Behold the full dinner pail and a chicken in every pot!" Democrats responsible for all the ills that come, whether consisting of storm, flood, earthquake, or accident; Republicans to be credited for the sun that shines, for the rains that fructify the soils, for all the blessings and benefits conferred by an all-wise Providence on a deserving people!

"Prosperity! Yes," they declared; "if you elect a Democrat President of the United States business will at once begin to decline. Unhappiness will succeed cheer and promise. Despair will sink into the human heart, where now abideth hope."

And on that false issue—an issue which every honest person in the Republican Party now must admit to be false—they won election after election. Bankers, merchants, railroad magnates, other captains of industry were made afraid to put the Democratic Party in power because they feared unwise and oppressive legislation! They could trust the Republican Party, they said. They were induced to believe in the theory that so long as a Republican was retained in the White House business would be prosperous and human effort would succeed.

Look at the extent to which they carried it in 1928 in the advertisement to which I have already referred! They paid for this. They may have put it in the CONGRESSIONAL RECORD and sent it out at Government expense; I suspect they did; but certainly they paid for this as an advertisement in the Washington Herald on the 20th of October, 1928. I shall not take the time to read it all. Listen:

The Republican Party is not a "poor man's party."

If there is anybody in this country who doubts that is true, he will realize that it is untrue only because under a Republican administration and Republican policies and measures everybody has become poor. No; the Republican Party is not a poor man's party!

Republican prosperity has erased that degrading phrase from our political vocabulary.

No such word in the vocabulary as "poverty" or "poor man"; everybody rich, poverty abolished.

Republican efficiency has filled the workingman's dinner pail, and his gasoline tank besides—

Get that, oh, my fellow countrymen! Not only a full dinner pail, but a full gasoline tank!

made telephone, radio, and sanitary plumbing standard household equipment; and placed the whole Nation in the silk-stocking class.

Oh, yes! When you see 25,000 men walking with measured tread through this city, and in every great city of the country thousands and in some cases hundreds of thousands suffering because they can not get work, and then read that statement, it is almost enough to cause you to take an axe and a torch and go out and destroy the temple of Republicanism.

Placed the whole Nation in the silk-stocking class—



Mr. GORE. Mr. President—

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Oklahoma?

Mr. ROBINSON of Arkansas. Yes; I should like to have a comment from the Senator from Oklahoma on that foolish statement.

Mr. GORE. The Senator says that 25,000 men in this city, and like numbers in other cities, are walking the streets in search of an opportunity to earn their daily bread by their daily toil. I remind the Senator that four years ago Mr. Hoover said that he intended to put the American people on their feet, and he has many a one afoot to-day. [Laughter.]

Mr. ROBINSON of Arkansas. That is one feature of the Republican program that has been carried out. [Laughter.]

Let me resume reading. Listen: Not only is the Republican Party responsible for the plumbing in the homes of the people, and for the gasoline in the tanks of the citizens' automobiles, but the Hoover campaign committee actually made the following contention:

During eight years of Republican management, we have built more and better homes, erected more skyscrapers, passed more benefactor laws, and more laws to regulate and purify immigration, inaugurated more conservation measures, more measures to standardize and increase production, expand export markets, and reduce industrial and human junk piles, than in any previous quarter century.

Take that boast and view it in the light of this day, and I wonder what will be the reaction of the citizens of this country when the Secretary of War or the Secretary of the Treasury or the Secretary of Agriculture—any one of the "three musketeers"—goes out to claim that the Democrats are capitalizing discontent when their candidate speaks of "the forgotten man."

Mr. WAGNER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from New York?

Mr. ROBINSON of Arkansas. Certainly.

Mr. WAGNER. I think it might be appropriate at this point to inform the Senator that according to the latest official reports, in 124 cities in the United States 1,500,000 families are being fed from charity funds.

Mr. ROBINSON of Arkansas. An appalling statement! How strange it seems in view of this political advertisement by which President Hoover, and his crowd over there across the aisle, won the election over two honest and deserving Democratic candidates in 1928. [Laughter.]

Yes; they not only put in the plumbing, supplied the gasoline for automobiles, erected skyscrapers, and regulated exports—what have they done to exports? They have destroyed the export trade of the United States; and it is not due in large part, and certainly not in whole, to any depression. It is due to political policies carried out under laws enacted during either the Harding, the Coolidge, or the Hoover administrations.

Let me read some more from this sublime example of Republican fairness in carrying on an election:

Republican prosperity is written on fuller wage envelopes, written in factory chimney smoke—

I knew that "smoke" would have to come—

written on the walls of new construction, written in savings-bank books—

Listen to that!

Written in mercantile balances, and written in the peak value of stocks and bonds.

[Laughter.]

Mr. President, the only true declaration in that statement is the last—"written in the peak value of stocks and bonds." I have already shown and emphasized what that means—dishonest values; values inflated by the exercise of political influence; values encouraged, if not invited, without regard to any relationship to earning power.

Mr. GLASS. Mr. President—

Mr. ROBINSON of Arkansas. I yield to the Senator from Virginia.

Mr. GLASS. As to savings banks, we had more bank failures in Washington yesterday than we had under the last year of the Wilson administration; and we had more bank failures in the one city of Chicago in the last three weeks than we had in the eight years of the Wilson administration.

Mr. ROBINSON of Arkansas. The Senator has anticipated what I was intending to say, and he has said it better than I could state it.

Mr. President, imagine boasting about banks as reflecting the results of Republican measures and policies! If they could claim credit for the things of which they boast, shall they escape liability for the things of which they must feel ashamed?

Republican prosperity has reduced hours and increased earning capacity, silenced discontent—

Listen:

put the proverbial "chicken in every pot." And a car in every backyard, to boot.

Oh, yes. Chicken has been succeeded by crow. [Laughter.] The American people are eating crow for voting the Republican ticket in 1928, for accepting such declarations as that to which I am referring.

It has restored financial confidence and enthusiasm, changed credit from a rich man's privilege to a common utility, generalized the use of time-saving devices and released women from the thrall of domestic drudgery.

Mr. President, I am surprised that your party did not claim in 1928 to have relieved motherhood of the pains incident to childbirth. [Laughter.]

It has provided every county in the country with its concrete road and knitted the highways of the Nation into a unified traffic system.

Listen:

Republican administration has restored to the railroads solvency, efficiency, and par securities.

Never in my lifetime have railroad securities fallen so low as at this hour. Never in my lifetime have railroads been confronted with more difficult financial problems than at the present time. Never before in my lifetime, save possibly immediately following the war period, when the railroads were being returned to their owners by the Government, have the railroad systems of this country been compelled to go to the Government to secure credit and loans in order to avoid receiverships. Yet the Republican Party in 1928, as a false and fraudulent process for getting votes, claimed that they had restored the solvency of railroads, placed them on an independent financial basis, and claimed they had given a great many benefits to the people of the Nation with which the Republican Party had nothing whatever to do. They knew it was false when they made the representation. They knew they had nothing to do with putting plumbing in the homes of the people. They knew they had nothing to do with relieving American women from drudgery. They knew that their policies had nothing to do with bringing about the period of apparent prosperity which was so quickly and amazingly superseded by decline and depression in 1929 during a Republican administration.

"HOOVER LUCKY POCKET PIECE"

Mr. President, some good friend in the gallery reminds me of another form of political fraud that ought to make Pat Hurley blush! I doubt if anything could make him blush, but if anything in this world could accomplish that result, this ought to do it. I hold in my hand, sent me from the gallery, an effective and unusual form of political advertising used in 1928. Listen to what appears on this "lucky pocket piece":

Good for four years of prosperity.

This is a brass coin, colored to represent gold, and it is a fitting emblem of the political unfairness that prompted its creation. It was used by the Republican campaign committee. On the other side is a picture of that now emaciated animal, the elephant, so thin and feeble now that he staggers when he tries to lift his trunk.

Hoover lucky pocket piece.

Oh, my! That would bring the voters to the polls. That would make them look with scorn on Al Smith and his associate on the Democratic ticket. That would make them lift their eyes in grateful acknowledgment for the opportunity to vote for "The Miracle Man."

#### THE MIRACLE MAN

Perhaps it would prolong these remarks unduly to enter into a discussion of that phase of campaign propaganda resorted to in 1928. May I just speak for a moment on "The Miracle Man."

The senior Senator from Idaho [Mr. BORAH], who was the chief proponent of the President during the campaign of 1928 and probably made him more votes than any other campaign orator, said that Mr. Hoover was no ordinary person, that he was a most remarkable man; and immediately they began circulating propaganda to elect the extraordinary personality, the statesman of broad experience, of infinite business knowledge, "The Miracle Man."

The Senator from Idaho was not like a candidate down in the good old State of Arkansas in my boyhood days, who ran for district attorney. He was the best man on the ticket, but did not get very many votes and was defeated. So he said after the election, "I am through with politics. I never expect to run for office again as long as I live. Everyone who comes into my office and asks me a question must retain me. I don't work for nothing any more. My knowledge and experience ought to be paid for." The next day two well-known local politicians, father and son, came into the office and asked him a question. The lawyer said, "Before I answer that question, you had better retain me." They looked at each other and said, "What does he mean?" He replied, "I simply mean pay me a fee." They declared, "Why, you would not charge us for just answering a question, would you?" He answered, "Yes. I have made up my mind that everybody who profits by my knowledge and experience must pay me for it. That is my business." One of them said, "You ought not to do that. We did all we could for you in the election." He said, "Yes, you did. You did me all the harm you could. You talked for me and voted against me." [Laughter.]

The Senator from Idaho was not that way. He made a bold champion of the President, on the theory that the latter was a most extraordinary man, that his economic policies would benefit the people of the Nation, that his strong hand would guide the ship of state through every turbulent sea. But now we have the spectacle of all of the policies having broken down. We have Democrats in Congress assisting the President to pass his relief measures, and members of the President's Cabinet, the "three musketeers," going out to the country and denouncing Democrats, declaring that they have no policies of their own, that they merely support Republican policies. That is unfair, as I have shown from the declarations contained in the official program of the Democratic Party.

Mr. President, the simple truth is that any political party which claims to have within its power the control of the prosperity of the people, any political party that claims that it can dispel night and bring the dawn, any political party that boasts that disaster can not occur while it is in power, is deceiving the American people. It is entirely true that measures and policies, both National and State, have some direct relationship to the happiness, to the liberties, and to the prosperity of the people; but it is also true that to the industry, the courage, the thrift, the enterprise, the indomitable resolution of the citizenship of this Nation may fairly be attributed all the glories that have come to our people and all the victories that have come to our flag. In these troublesome times, when dangers not heretofore known reveal themselves, it is the part of patriotism and statesmanship to look bravely into public questions, to make and practice no deception concerning the relationship of politics to business.

#### A NEW DEAL WILL BRING IMPROVEMENT

I do believe that with a new deal, with a change of administration, with the application of the principles in the Democratic program which I have described, better times

will come, equality of opportunity will be enjoyed, unemployment will be diminished; but I would not for my life claim that a change in laws can quickly overcome the results of mistaken policies and of erroneous conceptions of government.

We see now everyone looking to Washington, everyone expecting Washington to supply his daily needs, to procure employment for him, to make his business prosperous, to lend him the money necessary to carry on his trade. All that is the result of the sin and crime of the Republican Party in its campaigns heretofore, teaching the people to believe that prosperity was made by Republican administrations.

Mr. President, for the attention that the Senate has given to my remarks I desire to express my thanks. The Secretary of War, concluding his address last night, stirred his audience to a measure of enthusiasm when he said that he believed the verdict in November would be in favor of President Hoover and his policies. My reply to that declaration is that it profits little for the Secretary or myself to enter the realm of prophecy, but if it be true that the people give a verdict supporting the President and his policies in the election in November, then may God have mercy on the people and the Government we all love!

#### OFFER FOR PRINTING IN THE RECORD

Mr. BROOKHART. Mr. President, I ask leave to have inserted in the RECORD an address by Mrs. Jesse W. Nicholson, president of the National Woman's Democratic Law Enforcement League and the editor of the Woman Voter.

Mr. McNARY. Mr. President, I have no objection, of course; but the Senator who objected this morning, the senior Senator from Michigan [Mr. COUZENS], is absent, and I suggest that the matter be postponed until he returns to the Senate floor.

The VICE PRESIDENT. Objection is made.

CLAIMS OF MRS. ROSE GILLESPIE, JOS. ANTON DIETZ, AND MANUEL M. WISEMAN, TRUSTEE

The VICE PRESIDENT laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claims of Mrs. Rose Gillespie, Jos. Anton Dietz, and Manuel M. Wiseman as trustee of the estate of Louis Wiseman, deceased, against the United States, which, with the accompanying report, was referred to the Committee on Claims.

INCOME FROM COMMITTEE ON PUBLIC LANDS AND SURVEYS DISCLOSURES (S. DOC. NO. 138)

The VICE PRESIDENT laid before the Senate a letter from the chairman of the Joint Committee on Internal Revenue Taxation, transmitting, pursuant to Senate Resolution 264 (agreed to on the 11th instant), a report of the Joint Committee on Internal Revenue Taxation relating to taxes and penalties paid consequent upon disclosure before the Committee on Public Lands and Surveys of the Senate in the course of the investigation by it pursuant to Senate Resolution 101, Seventieth Congress, first session, and related matters, which, with the accompanying report, was ordered to lie on the table and to be printed.

#### PETITION OF RANK AND FILE OF THE BONUS MARCHERS

The VICE PRESIDENT laid before the Senate the petition of the rank and file veterans of the bonus marchers, signed by John T. Pace, chairman, praying for the prompt passage of legislation providing for the immediate cash payment of adjusted-compensation certificates (bonus) of veterans of the World War, and also that the present session of Congress do not adjourn until such legislation be enacted, which was referred to the Committee on Finance.

#### EXTENSION OF NATIONAL BANKING ACT TO THE VIRGIN ISLANDS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4574) to extend the provisions of the national bank act to the Virgin Islands of the United States, and for other purposes, which was, on page 1, line 6, after the word "States," to strike out the remainder of the bill.



Mr. FLETCHER. I move that the Senate concur in the House amendment.

The motion was agreed to.

COMMENTS ON PRESIDENT HOOVER'S LETTER TO SENATOR BORAH

Mr. McKELLAR. Mr. President, on yesterday President Hoover addressed a letter to the Senator from Idaho [Mr. BORAH], which letter read as follows:

MY DEAR SENATOR: I have your inquiry this morning, through Secretary Stimson, as to the effect on the United States of recent agreements in Europe.

Our people are, of course, gratified at the settlement of the strictly European problem of reparations or any of the other political or economic questions that have impeded European recovery. Such action, together with the real progress in disarmament, will contribute greatly to world stability.

I wish to make it absolutely clear, however, that the United States has not been consulted regarding any of the agreements reported by the press to have been concluded recently at Lausanne, and that of course it is not a party to, nor in any way committed to any such agreements.

While I do not assume it to be the purpose of any of these agreements to effect combined action of our debtors, if it shall be so interpreted then I do not propose that the American people shall be pressed into any line of action or that our policies shall be in any way influenced by such a combination either open or implied.

Yours faithfully,

HERBERT HOOVER.

Mr. President, I am very happy that the President, after some weeks of delay and after a veritable storm of opposition against his secrecy in the matter, at last has concluded to take the American people into his confidence about these European agreements.

I am glad to know "that the United States has not been consulted regarding any of the agreements reported by the press to have been concluded recently at Lausanne."

I am glad to know that the United States is not "in any way committed to any such agreement."

I am glad to know that the President does "not propose that the American people shall be pressed into any line of action or that our policy shall be in any way influenced by such a combination open or implied."

Mr. President, I commend President Hoover for these statements as far as they go, but I wish he had gone further and stated that he does not intend or expect to enter upon any kind of negotiations for the further modification or cancellation of the debts due us by European countries. In no place does he say that he does not intend to act finally in the program he has heretofore attempted to carry out, both in his public messages to the House and in his other public messages; that is to say, to bring about some degree of reduction or cancellation of debts.

I regret that he does not say that he is not going to have American representatives at any conference at which the question of our foreign debts could be discussed at all. I wish he had stated that he is not going to enter upon any other negotiations for any further moratorium. But he does not say it. Why can not he say that he intends to take American ground, carry out American policies, as adopted by an American Congress, rather than merely take the position that he does?

I wish he had stated that he had accepted the last act of Congress on the subject of reduction or cancellation of debts as final and binding upon him, and that there would be no more efforts upon his part to open the debt question that Congress has already passed upon, and which he had approved with his signature. When the moratorium measure was enacted he made the direct statement that there should be no direct cancellation, and the President approved that measure by his signature. Does his approval mean nothing? I wish he had gone forward and said further that he is going to stand by his own signature and is not going to permit, so far as he can prevent it, any change in the situation as to these foreign debts.

I wish that the President had stated that the international bankers had lent their money to foreign countries and to foreign people with their eyes wide open and that he does not believe it is the duty of this country to press the collection of those private debts ahead of its duty to

collect these public debts due to the American people. But he said nothing about it.

At all events, Mr. President, President Hoover has stated that neither he nor the United States had any prior knowledge of the Lausanne agreement; that there have been no commitments, express or implied, on the part of the United States to take any course of action in regard to the further reduction or cancellation of our debts, and that this Government would not be bound by any of these European agreements. Mr. President, I believe I express the almost unanimous opinion of America in saying that we are devoutly grateful to the President for these belated and difficult-to-be-obtained assurances. I sincerely hope that he will stand by these assurances. Because of these assurances I believe that the Congress can now go home with the feeling that another moratorium or other debt reductions or cancellations will not be secretly foisted upon our country while Congress is not in session.

In this connection I want to take this occasion to congratulate the Senator from Idaho [Mr. BORAH] on obtaining this letter from the President. In so doing I think he has successfully invaded the proverbial Hoover sanctum of secrecy and has possibly saved great sums to the American people; that is, of course, if the President will continue his stand as set forth in his letter to the Senator from Idaho.

If European nations, either singly or together, want to repudiate their debts that is their matter; but surely we ought not to invite them to do so or agree that they may do so, or hint directly or indirectly that they may do so. I do not believe that any self-respecting nation will ever repudiate its obligations. If it does repudiate its obligations, it can bring nothing but dishonor and disrespect to itself.

Of course, it is all poppycock to talk about the remaining debts being "war debts." The war debts, with the exception of a small portion of Great Britain's debt, have all long since been cancelled by our country. Europe owes us the present debt for money loaned after the war for the purpose of reconstruction and administration of their several governments, with the small exception to which I have referred. Since the Lausanne agreement and since our President assures us that America is not privy to it expressly or impliedly, I hope we may all now agree that the heretofore expressed will of Congress shall be carried out by the President.

Mr. President, much has been said as to who is the author of the Lausanne agreement. Of course I do not know who is the author. It has never been disclosed by anybody. Premier Herriot said the agreement meant one thing. The Chancellor of the Exchequer of Great Britain, Mr. Chamberlain, said it meant another thing. Prime Minister MacDonald said it meant another thing. Mr. Stimson said he did not know anything about it. I do not believe there is anyone who does know just what it means or just why it was gotten up, except that it was for one purpose. That purpose was to remove \$11,000,000,000 of tax burdens from European shoulders, where they ought to be, and place them upon the already overburdened tax-laden backs of American taxpayers.

Mr. President, I have protested from the very beginning against the cancellation or the reduction of these debts. I believe that I voice the sentiment of practically every Senator and every liberty-loving American in this country when I say that we have had enough of any proposed cancellation or reduction of the debts, and that hereafter the President, whoever he may be, should give no concern and make no hint and make no suggestion and make no proposal for the further cancellation or the further reduction of these debts so honestly due to the American Government.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9642) to authorize supplemental appropriations for emergency highway construction, with a view to increasing employment, and that Mr. Cor-



LIER, Mr. RAINEY, Mr. DOUGHTON, Mr. HAWLEY, and Mr. TREADWAY were appointed managers on the part of the House at the further conference.

#### CALL OF THE ROLL

Mr. SMOOT obtained the floor.

Mr. BLAINE. Mr. President, will the Senator from Utah yield to enable me to suggest the absence of a quorum?

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Does the Senator from Utah yield for that purpose?

Mr. SMOOT. I do.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Davis	Kean	Robinson, Ind.
Austin	Dickinson	Keyes	Schall
Bailey	Dill	King	Sheppard
Barbour	Fletcher	La Follette	Shipstead
Barkley	Frazier	Lewis	Shortridge
Bingham	George	Long	Smoot
Black	Glass	McKellar	Steiwer
Blaine	Glenn	McNary	Stephens
Borah	Goldsborough	Metcalf	Thomas, Idaho
Brookhart	Gore	Morrison	Thomas, Okla.
Bulkley	Hale	Moses	Townsend
Bulow	Harrison	Neely	Trammell
Byrnes	Hastings	Norbeck	Tydings
Capper	Hatfield	Norris	Vandenberg
Cohen	Hayden	Nye	Wagner
Connally	Hebert	Patterson	Walcott
Costigan	Howell	Pittman	Walsh, Mass.
Couzens	Johnson	Reed	Watson
Dale	Jones	Robinson, Ark.	

The VICE PRESIDENT. Seventy-five Senators having answered to their names, a quorum is present.

#### REPUBLICAN POLICIES AND ACHIEVEMENTS

Mr. SMOOT. Mr. President, misleading statements and charges against the administration which is directing the affairs of this Government through this critical period should not be allowed to stand unchallenged lest they befog the public mind and retard an orderly recovery from the throes of depression. A medley of conflicting charges has been lodged against the economic policy of the Republican Party. On one hand, the Republicans are accused of failing to exercise world leadership. According to one distinguished critic, they threw away "the greatest opportunity for human progress within a thousand years." America had an opportunity to lead the world into an imaginary paradise, but instead the Republican Party decided that it would be wiser for us to mind our own business and not become involved in European politics. To the minds of some Democratic spokesman, on the eve of a presidential campaign, that seems to be an abominable doctrine.

On the other hand, the United States is accused of having formulated the economic policies of the world since 1920. The Government, under Republican leadership, is denounced for failure to exercise international leadership; and, at the same time, it is censured for having led the world astray. It is difficult to understand which criticism our Democratic accusers wish to stand.

But that is a matter of no importance. What I wish to direct to the attention of the Senate is the injustice of the charges here made against the President, and the unsoundness of the one policy suggested for relieving the country of its economic distress. It is charged that the Republican administration has exercised no leadership in this emergency, and that the country has been allowed to drift toward panic. No charge that might be raised against the administration could be more out of harmony with the facts. No man who ever sat in the White House, Mr. President, has been more devoted to the public welfare than Herbert Hoover.

Nearly every practical step that has been taken to relieve our distressing economic depression on a nation-wide scale has been initiated at the White House. What more do the critics of the President ask? What more can be done to ameliorate the conditions that have been brought upon the world by unwise business and financial policies without embarking upon the quicksands of socialism?

A few weeks ago the Senator from Tennessee admitted that—

The Democrats face the tremendous responsibility of offering a sound and constructive program analyzing basic causes and offering basic remedies with respect to the domestic and international conditions, to the extent that the latter affect us.

What has the party done to carry forward that responsibility, except to fall in line with the constructive program inaugurated by the President? I wish to say, Mr. President, that the cooperation which has been forthcoming from the Democratic leaders in this respect is highly commendable. But there is no excuse for any Democrat to denounce the President of the United States for lack of leadership when the critic himself has no contribution to make to the country's economic welfare.

In the midst of adversity, President Hoover has never once been stampeded into rash action that might weaken the fundamental structure of American industry and finance. He is criticized because the relief measures he has proposed are designed to set the wheels of industry and commerce into motion once more, and not to upset the basic structure of our economic system. The President is denounced because he refused to turn a deep-seated evolution of economic forces into a revolution. If the American people will study well the accusations that are made against their leader in the White House, they will soon recognize that the captious charges that are made against him are, in reality, praises for his sagacity and far-sighted policy.

Temporary recovery from the depression through the adoption of uneconomic practices would be a curse upon future generations of American citizens. This is a great day for those who lean toward a dole for the unemployed and toward bureaucratic control over industry and commerce. They revel in taunting Government officials because prosperity is in temporary suspension. But every sober student of history knows what would happen if Congress should yield to their demands. The Republican Party must stand firmly against disintegrating forces. The restoration of prosperity at the cost of economic freedom, or with the loss of the traditional responsibility and independence that each individual in America feels, would be a lasting blight upon the Nation.

Socialistic and bureaucratic measures are the only alternative to the patient policy of the Republican administration. President Hoover is working almost night and day to strengthen the weak spots in the American economic system. It is easy for critics to point out the factors which entered into this world-wide depression and to manifest their superior judgment upon events that have passed into history. But when it comes to pointing the way out of our present dilemma they speak with less precision and for the most part keep their discussions high in the realm of fantastic theory, where they may evade any contact with unyielding facts and conditions. While the President continues to wrestle with forces that are beyond their knowledge—forces that are kept from public attention for obvious psychological reasons—his critics merely stand on the side lines and pretend to hold within their bosoms the secret of economic restoration.

Foremost among the theoretical panaceas that are designed to cure this world-wide depression is reduction of the American tariff. At its national convention in Chicago the Democratic Party denounced the existing tariff law and demanded "a competitive tariff for revenue." Of course, Democratic Senators would not stoop to vote for protective tariffs. Nevertheless, I think that the Senate might find some interest in the records of Senators who have denounced the Smoot-Hawley Act at Chicago or on the floor of the Senate. The senior Senator from Kentucky [Mr. BARKLEY] waxed eloquent over the alleged "iniquities" of the Republican tariff at Chicago. But he did not tell the convention what line of reasoning led him to perceive that the duties on coal and oil, for which he recently cast his vote, were vicious protective tariffs. Does the Senator pretend it is only a happy accident that his home State is interested in the coal and petroleum industries and an unhappy accident that neither of those duties is calculated to produce enough revenue to be worthy of consideration? I know from his



address that the Senator objects "to the use of the power of taxation by small groups to stimulate their particular interests with an artificial invigoration at the expense and to the damage of the whole people." But I do not know how the Senator reconciles his votes with that pretty theory.

The Senator from Kentucky did not tell the Democratic convention that he helped to write the Smoot-Hawley Act with his votes in favor of increased duties on casein, gypsum, cattle, and silver ores. At that time the Senator had an opportunity to vote for the lower duties which he now demands. Yet he recorded votes against lowering the rates on olive oil, against lower rates for china clay, mustard seed, sole leather, and hides. It is very apparent that the Senator believes in tariff reduction for everyone except the industries of his home State.

Let us turn to the record of the senior Senator from Montana [Mr. WALSH], who added his voice to the antiprotection chorus at Chicago. The Senator voted for increased duties on casein, thread, wool rags, crude gypsum, cattle, and mustard seed. He voted in favor of maintaining high duties on card or burr waste, wool rags, coarse wool, mustard seed, and hides.

Both of the distinguished Senators from Montana, who subscribe to the theory of "competitive tariffs for revenue," favored the copper tariff in the recent tax bill. The junior Senator from Montana [Mr. WHEELER] voted for it and announced that the senior Senator would have voted favorably had he been present. The pious pretense of the Democratic platform does not prevent any Democrat from advocating special benefits for his home State.

Not even my friend from Mississippi [Mr. HARRISON], the ranking Democratic member of the Finance Committee, whom I hold in the highest regard as well as in genuine affection, can resist the alluring benefits of protection when the interests of Mississippi are involved. Twice he voted in favor of increasing the duty on long-staple cotton. Higher rates on synthetic camphor, cattle, and silver ores also drew his support. Amendments were offered to reduce the duties on olive oil, filaments and yarns of rayon, and mustard seed, but the Senator from Mississippi voted against them.

When it is a question of protecting the cotton, tobacco, cattle, and silica industries the senior Senator from Georgia is as stern a protectionist as anyone on this side of the aisle. When the Smoot-Hawley Act was under consideration he voted in favor of nine increases and against six decreases. His high-tariff votes were limited only by the extent of Georgia's economic interests.

The Senator from Texas, who is also a member of the Finance Committee, recently led the fight for an embargo on petroleum; but that only confirms his previous record. He voted for 21 duty increases in the last tariff act and against 12 proposed decreases. His colleague from Texas voted in favor of 32 increases and against 12 decreases. These are by no means conspicuous examples. The senior Senator from Wyoming voted for 30 specific increases and against many more decreases. I have the list in my desk, and they are all on it. Both the Senators from New York proved themselves to be confirmed protectionists, so far as the industries of their home State are concerned.

I have no fault to find with Democrats who vote to protect the industries and the workingmen of their home States. It is their duty to promote the welfare of their States and the Nation. But I do emphatically condemn the hypocrisy of a party which forces its Representatives in Congress to denounce legislation which they have helped to enact for the benefit of their localities. I doubt if there is a Democrat in this body who would not fight to retain the benefits he secured for his locality under the tariff act of 1930. Yet every one of them is bound to support a fatuous platform which pretends that only Republicans are interested in tariff protection.

A widespread effort is being made to convince the American people that the Republican Party believes in special tariff privileges. That charge rebounds upon our Democratic critics like a vengeful boomerang. The Republican Party believes in tariff protection for all legitimate indus-

tries, labor, and agriculture. We do not skulk about the Capitol seeking special benefits for one locality while denying them to another. We candidly and emphatically prefer to give jobs to our own workingmen before considering the welfare of foreign labor. It is the Democratic Members of this body who seek special tariff privileges for their own States, and then sanctimoniously repudiate their work under the false pretense that tariff making is a vicious Republican game. It is time that the American people were fully informed of this political trickery. It is a blot which the Democratic Party can not efface until it learns the meaning of common honesty in political matters.

Mr. CONNALLY. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Texas?

Mr. SMOOT. Yes; I yield to the Senator.

Mr. CONNALLY. The Senator believes that we ought to use domestic articles amongst our own people whenever it is possible, does he not?

Mr. SMOOT. I believe it with all my heart.

Mr. CONNALLY. Does the Senator approve the action of the Post Office Department the other day in going, in the face of the statute which we passed, and buying its supplies of twine from the Ludlow Co. of Boston—jute—instead of buying cotton produced and manufactured by our own people?

Mr. SMOOT. Mr. President, I have not gone into the matter. I never heard of it until the last few words that were spoken here yesterday, I think; but I want to say that if that be the case as the Senator states it now, I am opposed to it.

Mr. CONNALLY. If that is the Senator's attitude—and I do not challenge it, and I thank him—I am just wondering why it is that the responsible Cabinet chiefs of the administration pursue that sort of a policy toward our own people, and yet the administration protests here on the floor, through the Senator and others, that it is for American goods and American industries, while it belies its own professions by that sort of thing.

Mr. SMOOT. If the Senator knew my record—and more than likely he has heard about it—on this question of substituting jute for cotton, I want to say to the Senator that that question has been before the Finance Committee beginning in 1909 that I know of; and I have always stood up for American cotton, and I shall always do it.

Mr. CONNALLY. I thank the Senator. The only other request I have to make of him is that I hope he will use his powerful influence on some of the Cabinet and responsible men in the administration to adopt the Senator's views and give us justice.

Mr. SMOOT. Now, Mr. President, I want to call the attention of the Senate to what happened when Congress attempted once before to cure a depression by revision of customs duties downward. It will be remembered that William McKinley was elected President in 1896 on a platform that demanded protection for American industries. No one will deny that McKinley believed in international trade. He took essentially the same attitude toward foreign trade that the Republican Party takes to-day. His motto was to protect American industries against unfair foreign competition so that the United States would be in a position to expand its foreign trade.

The soundness of that theory was demonstrated by its application to conditions that were very similar to those we are experiencing to-day. Clouds of depression spread over the country in 1893. A Democratic Congress was elected, in the hope that its economic policies might turn the tide of events toward prosperity. The Democrats demanded that international trade be unfettered; and since they had control of the Government, they proceeded to emasculate the American protective policy. Tariff rates were cut down lower than they had been for years, with what result? Instead of stimulating international commerce and lifting the country out of its slough of despond, this act merely left the Government with a huge deficit and the people with more acute economic distress. Even imports declined

sharply, in spite of the lower rates of duty. Remember that, Senators. All you have to do is to look at the records.

In the last year under the Wilson low tariff, exports slumped to \$1,050,000,000, as compared with \$1,730,000,000 for the year prior to its enactment.

Mr. CONNALLY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Texas?

Mr. SMOOT. I do.

Mr. CONNALLY. What did the Senator say our exports were during the last year of the Wilson tariff?

Mr. SMOOT. One billion and fifty million dollars.

Mr. CONNALLY. How do they compare with the exports last year under President Hoover's administration?

Mr. SMOOT. They were about one-third, I think.

Mr. CONNALLY. About one-third?

Mr. SMOOT. Just about. Our exports have steadily increased.

Mr. CONNALLY. Were they greater in 1931 than they were in 1930? Would the Senator mind telling us how much exports fell off in 1930 from 1929 and in 1931 from 1930?

Mr. SMOOT. I have not those figures here, but I can say this to the Senator—

Mr. CONNALLY. It seems to me they are quite pertinent. The Senator is talking about the present administration and he ought to quote figures dealing with the present administration.

Mr. SMOOT. I thought there was not a soul in the United States but that knew approximately what they were.

Mr. CONNALLY. If the Senator has not the figures, I will tell him that the exports in 1930 fell off \$1,000,000,000 from those of 1929.

Mr. SMOOT. Yes; from the exports of 1929, the peak year. The present tariff act was not passed until late in 1930, so it did not have any effect upon the importations of 1930; but the Senator may try to compare our importations now with what they were in 1929. Why, if all the foreign trade outside of the countries themselves were added together, the whole thing would not amount to the trade of the people of the United States during that year.

Mr. LONG. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Louisiana?

Mr. SMOOT. I do.

Mr. LONG. I assume that the Senator takes the view that there should be a tariff equal to the difference between the cost of producing in this country and the cost of producing abroad.

Mr. SMOOT. I certainly do.

Mr. LONG. I wonder why it is that we never have been able to get more than about one-fifth that difference in the case of oil? We got only 21 cents tariff on oil. Why is it that we can not get the Republican Party to stand with us to put oil up as high as the difference in the cost of production?

Mr. SMOOT. Mr. President, there has never been, so far as I recall, until this last year, a question of a duty upon oil. Not a soul from the South or from the West or anywhere else even suggested a duty upon oil until conditions here—world conditions, I might add—made it necessary to do it; and I want to say to the Senator that I was very glad indeed to vote for a duty upon oil.

Mr. McKELLAR. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. Yes.

Mr. McKELLAR. The Senator has just said he was very glad to vote for a duty on oil.

Mr. SMOOT. Yes.

Mr. McKELLAR. Can the Senator inform us whether or not the price of oil went up after the duty was voted?

Mr. SMOOT. Mr. President, I have not the quotations here, but I do know this: It will stop the importations of oil, and the American consumers will purchase American oil.

Mr. McKELLAR. Of course, the purpose of the duty was to increase the price of oil to American producers.

Mr. SMOOT. Not altogether, Mr. President.

Mr. McKELLAR. If, as I understand, it did not have that effect, I do not see what good it did.

Mr. SMOOT. The Senator does not understand the principle of a protective tariff.

Mr. McKELLAR. No, sir; I never have understood it, and I doubt if I ever will.

Mr. SMOOT. Another thing: The Senator does not want to understand it. But, Mr. President, this is what the oil tariff has done, at least: It has provided a market for home-produced oil; and even if the price is the same, on account of local competition, it is American oil, it is American money, and it has not been cut to pieces by foreign oil coming into this country.

Mr. LONG. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Utah further yield to the Senator from Louisiana?

Mr. SMOOT. Yes; I yield.

Mr. LONG. I understand from my friend from Tennessee that the price of oil actually went down with the tariff that was put on, instead of going up, as many of us contended it would do, and protect the independent industry in this country. I was further informed that the copper combination had suffered a severe blow because of the protection on copper. The point I am making is, Why was it that it took 12 years for the Republican Party to see the necessity of giving a tariff on products that would not aid monopoly?

Mr. SMOOT. Mr. President, as far as copper is concerned, the copper people themselves said that they did not care whether they had a duty upon copper or not until this very year, when we were asked to place one upon it. The Utah Copper Co., normally producing or handling sixty-odd thousand tons every day, has not a wheel moving to-day. Not only that, Mr. President, but the new discovery of copper in South Africa carries, I am told, about 12 per cent of copper, whereas the Utah copper has but 21 pounds of copper in a ton of earth.

Not until after President McKinley had been elected and called Congress into extra session in 1897 was this era of hard times brought to an end. A new protective tariff was enacted. Prosperity gradually returned, with both imports and exports growing to larger volumes than had ever been known before. Since that time the United States has never been without protection for its domestic industries. That experience earned for the Democratic Party its well-known sobriquet—"the party of hard times."

The same disastrous results probably would have followed the Democratic tariff of 1913 had not the World War swept away the competition of foreign producers for a larger share in the American market. Throughout the period of the war American producers were doubly protected in spite of Democratic policy. Competitors were so occupied with supplying the demands of their governments that they had no surplus to ship to America. Industry and agriculture in this country not only had the domestic market to supply but the war created exceptionally heavy demands for exports.

When the war was over Congress found it necessary to re-establish the protective system to save American producers from a deluge of cheap foreign commodities. Had the Democratic policy prevailed the industries that American genius, American capital and labor had developed would have been doomed. The United States would have had a chronic unemployment problem and would have fallen headlong into the present depression with no reserve strength nor capital to meet it.

Quotations from President McKinley and President Hoover as to the desirability of international trade mislead only those who are trying to substitute imports for domestic business. No doubt President Hoover would repeat to-day what he said in his Boston address—that "to insure continuous employment and maintain our wages we must find a profitable market for our surpluses." But the President did not suggest that in a vain effort to find foreign markets we jeopardize the home market we already have.

The issue here involved is not foreign trade but the protection of American enterprise. International commerce is a natural by-product of domestic trade. Throughout the annals of our country we find that foreign trade has fluctuated



tuated in close relationship to business within our borders, unless influenced by war or some other abnormal factor. In this period of depression the best statistics available show that the decline of foreign commerce has about kept pace with the falling off in domestic business. Does the Democratic Party suppose that by some magic power the Government could or would maintain foreign trade at its former volume while domestic industry is in a slump?

I want to say, Mr. President, that 90 per cent of what we hear about the destruction of our foreign trade is nothing more than the fabrication of misleading data. That is the only argument left to the antiprotectionists. Just a short time ago they were trying to convince the country that the tariff act of 1930 would bring about a tremendous inflation of prices and add \$2,000,000,000 to the cost of living in the United States each year. Now, when commodity prices are only a fraction of what they were before the tariff act was passed, they have nothing to complain about except the fanciful "ruin" of American trade abroad.

Anyone who has examined the facts knows that most of the spectacular decline in the value of foreign trade—or all trade, for that matter—is accounted for by the decline in prices. No tariff barrier could maintain price levels in the face of a drastic depression throughout the world; but it is a fact of record, Mr. President, that prices in this country have declined much less than prices abroad. That is why the same critics look at the diminishing dollar sign on our import trade and close their eyes to the enormous bulk of foreign goods that are coming into the United States to displace the products of American factories and farms.

Let me call attention of the Senate to the Department of Commerce's analysis of foreign trade for 1931. It has this to say:

The marked decline in the dollar value of our foreign trade during 1931 was attributable in large part to sharp decreases in price, which affected all classes of commodities. In physical volume exports showed a decline of about 20 per cent as compared with 1930, while imports were only 10 per cent smaller. Since domestic industrial production fell off 16 per cent and freight-car loadings dropped 19 per cent, it appears that the shrinkage of our foreign trade was about as great as the decline in domestic business, the decrease in exports being slightly larger and that in imports somewhat smaller.

During the first quarter of 1932 the volume of imports into this country was only 4 per cent lower than in the corresponding months of 1931, in spite of the fact that American production was curtailed from 16 to 20 per cent. Is the remedy for this situation a reduction of the American tariff, so that a greater volume of foreign goods may be poured upon our markets? If ever there was a time in the history of the United States when we need tariff protection, it is to-day when the markets of the world are glutted, thousands of factories and farms are turning out more than the limited purchasing power of the world can buy, and every producer is seeking an outlet market for his surplus. It would be sheer madness, Mr. President, to tamper with our protective system under such conditions.

It is very strange to listen to distinguished critics proclaim the destruction of our foreign trade when American exports still exceed those of any nation in the world.

I want Senators to mark that—American exports exceed those of any other country in the world. Is it possible that men with reason would think of tampering with the protective tariff, knowing the conditions in the world to-day, with the purchasing power of the peoples of the world shattered, with commodity prices 30 per cent lower than they were a few years ago? It is impossible to think such a thing.

Mr. LONG. Mr. President, will the Senator yield?

Mr. SMOOT. I yield.

Mr. LONG. As I take it, the Senator does not think the tariff has caused this depression.

Mr. SMOOT. I do not.

Mr. LONG. Then what has?

Mr. SMOOT. Perhaps I can explain it in just a few words to the Senator. The world can not destroy \$200,000,000,000, the world can not destroy tens of millions of the flower of the manhood in the world, without having to pay

the penalty; and she is paying it to-day, and we are paying our part of it.

Mr. LONG. The Senator means we are just now paying what the war cost, on account of destroying something?

Mr. SMOOT. There is no doubt about it.

Mr. LONG. Have we not more wheat than we had before, more cotton than we had before, and more corn than we had before? What is it that we have not more of now than we had when this flowery condition existed?

Mr. SMOOT. There is more to it than cotton and wheat.

Mr. LONG. I am just trying to find out what caused this trouble. I know the Senator is one of the leading economists of this country, or of any country, and I am just one of the country boys fixing to go back home, and I want to find out what brought this trouble about. We have had you fellows here 12 years, and I would like to find out just what has caused the trouble. The Senator says the tariff has not caused it. What is the trouble?

Mr. SMOOT. The purchasing power of the world is destroyed. Take every man in this Chamber—perhaps not the Senator from Louisiana, but take every other man in the Chamber—take every farmer in the country, take every mechanic in the country, take every business man in the country, they are not producing what they did before, and the Senator knows it.

Mr. LONG. They can not buy.

Mr. SMOOT. Why not? Because they have not the money with which to buy.

Mr. LONG. Why have they not?

Mr. SMOOT. They have not it on account of the destruction of billions of property during the World War and the debts that were piled upon the people of the world. The debtors have to pay them sooner or later. The interest alone is enough to destroy business.

Mr. LONG. Will the Senator permit another question along that line? We had about 12 years of Harding, Coolidge, and Hoover prosperity here.

Mr. SMOOT. Yes; we did; decidedly so.

Mr. LONG. With advertisements even over the signatures of all three of these men to buy stocks and not to sell America short. What has occurred, and how did it occur, during these 12 years of prosperity, so that we are now in this economic distress? The tariff has not caused it, the Senator says. What has caused it?

Mr. SMOOT. It occurred because of the fact—

Mr. LONG. Did the war cause the prosperity of the Coolidge administration?

Mr. SMOOT. The Coolidge administration had prosperity while all the balance of the world was purchasing goods from us; yes.

Mr. LONG. Then the war caused the prosperity of the administration of Hoover, as long as it was prosperous, and of Coolidge and Harding. What we have now is what they did to the country.

Mr. SMOOT. I say now that the prosperity that came to the United States, if it could be called prosperity, was added to by the war. Every person was paid an exceedingly high wage, and prices for commodities were high all the world over. The settlement day is here.

Mr. BYRNES. Mr. President, does the Senator think we ought to have another war in order to get another 12 years of prosperity?

Mr. SMOOT. That is a silly question for any man to ask.

Mr. BYRNES. Is that not what the Senator's argument amounts to?

Mr. SMOOT. If I thought that anything that might produce prosperity in the United States would bring such trouble to the rest of the world, I would not support it.

Mr. BYRNES. The Senator says that war brought prosperity. Is not that so?

Mr. SMOOT. I said that in part it brought temporary prosperity.

Mr. BYRNES. The war that caused 12 years of prosperity is now causing the depression?

Mr. SMOOT. I have not made any such statement, and the Senator need not try to put any such statement in my mouth.

Mr. LONG. Mr. President, will the Senator yield again?

Mr. SMOOT. I refuse to yield any longer.

Mr. LONG. Just one more question.

Mr. SMOOT. No; I want to get through. I do not want all of this nonsense in my remarks.

The VICE PRESIDENT. The Senator declines to yield.

Mr. SMOOT. I know it is not pleasant for members of the Democratic Party to listen to the facts, and all they are trying to do is to becloud the facts. The American people will know sometime what the facts are.

In the fiscal year of 1931 exports from the United States were valued at \$3,033,700,000. No other nation came within the \$3,000,000,000 class for the same period. Exports from Great Britain amounted to only \$2,636,100,000, Germany exported goods valued at \$2,524,400,000, and France sold \$1,428,300,000 worth of her products abroad.

It is a significant fact, Mr. President, that the United States, which centers its attention upon domestic commerce, should have larger foreign markets than any other country, in spite of the fact that some of our closest competitors make international commerce their specialty. Great Britain, for example, must import foodstuffs and raw materials to live. By comparison the United States is largely self-contained. Only a few foreign products, such as rubber, silk, and tin, are essential to our economic well-being. Great Britain must sell her manufactured products abroad to pay for foodstuffs and raw materials. Foreign markets are an absolute necessity for her. But the United States sells more than 90 per cent of its output to the home market. In spite of this fundamental contrast between the trade philosophy of Europe and America, this country has a greater export market than any European nation. To speak of the collapse of American trade in the face of this fact is to trifle with veracity.

It is a matter of record, Mr. President, that we sold as large a percentage of our domestic output abroad before the war as we did in the heyday of 1929.

Department of Commerce records show that 9.7 per cent of our production went into foreign trade in the year before the war, compared with 9.8 per cent in 1929. During the interval, America underwent intensive industrial development, but we did not seek to exploit the world with our goods. American producers found it more advantageous to cultivate the home market by steadily advancing the standards of living. Our total production has been multiplied many fold, but the percentage of goods that are shipped abroad is considerably smaller than it was 30 years ago. Is there any reason, then, in assuming that prosperity will evade us until we find new foreign markets to exploit? American prosperity has never been based on exports abroad, and it probably never will be. Foreign markets are only a tiny supplement to our own immense market. While we can not guarantee to American manufacturers, labor, and agriculture a foreign outlet for their goods, we can and will safeguard the market they already have within the confines of the 48 States.

The facts clearly show, Mr. President, that the reduction of our export trade is due chiefly to lower purchasing power in foreign countries rather than to any desire on the part of other nations to punish us for protecting our home industry. The exports that suffered most were luxuries and articles used in ordinary industrial development which is now at a standstill. For example, the value of our automobile exports fell 47 per cent; the value of refined oils, principally gasoline, 47 per cent; manufactures of iron and steel, 51 per cent; and agricultural machinery and implements, 50 per cent. Our exports of necessities, such as cotton and silk manufactures, chemicals, and rubber products held up much better. These figures simply indicate that foreign nations have bought from us those products that they needed most in hard times.

Reasons for the decline in imports to the United States are similar. I defy the antiprotectionists to prove their charges that the tariff act of 1930 is the chief cause for the shrinkage in our imports. If they take the trouble to inquire from the Department of Commerce, they will learn

that the value of free imports fell during 1931 as much as did the value of dutiable imports. In both instances the decline was slightly more than 32 per cent. Do the learned economists and statesmen who rail against the tariff contend that the duties levied by Congress in 1930 are responsible for the reduction of free imports?

This is an extremely embarrassing fact for them to contemplate. Hence, they seek to becloud the public mind. They try to convey the impression that the tariff has destroyed our foreign trade when indisputable figures show that more than two-thirds of the shrinkage in the dollar value of imports may be traced directly to commodities on the free list.

I anticipate an attempt to explain away this significant fact by the argument that most of our free imports are raw materials which have undergone a drastic price reduction. Nevertheless, there has been a steady demand for raw products, such as rubber, coffee, silk, and so forth. The prices of dutiable imports may not have fallen so low as those of the average free commodity. But luxuries and specialties, which constitute a large portion of the dutiable list, are not in great demand during a time of severe depression. The loss resulting from sharp price reductions for free imports is offset by the reduced demand for dutiable imports.

Free and dutiable imports reacted in the same general way toward the forces of depression. That fact can not be disputed. It takes the foundation from under the whole Democratic argument that the tariff has closed the American market to imports and destroyed our foreign trade.

Critics who lament the collapse of the foreign market for such products as cotton are apparently oblivious of the fact that the foreign shipments of American cotton were 5 per cent greater for 1931 than for 1930. Crude-petroleum exports were 8 per cent larger, and the shipments of tobacco fell off only slightly. Wheat exports were 16 per cent lower, and the volume of American meats consumed in foreign countries fell off 17 per cent. On the other hand, fruit exports registered a decided increase. There is no element of ruin in these figures. Buying power has been temporarily curtailed. But I have no doubt, Mr. President, that with the resumption of normal conditions our trade with other nations will continue to increase without the sacrifice of a single American industry.

I wish to direct the attention of the antiprotectionists to another significant fact in connection with our tariffs and trade. Most of our tariffs are levied against Europe. Only 42 per cent of our imports from that continent come in free, as compared with 67 per cent for the world as a whole. If the decline in our exports were a result of retaliation on the part of foreign countries affected by the American tariff, we could expect our heaviest loss of export trade in Europe. But that is not the case. In 1931 the value of our exports to Europe fell off 35 per cent. The decline in volume was, of course, much smaller. Europe remained our best customer in spite of the fact that most of our tariffs are levied against her products. Since the depression began Europe has bought a considerably larger portion of our exports than before.

Our trade with South America shows a remarkable contrast. Nearly 84 per cent of everything we import from the southern Republics comes in free. Yet our exports to that continent in 1931 fell off 53 per cent in value, or half as much again as did our exports to Europe. Asia is the only continent that showed a more moderate decline in the purchase of American exports than Europe. For the most part, those continents, whose goods come into the United States with almost no duty, bought proportionately less from us, and Europe, whose exports to America are mostly taxed, bought proportionately more from us.

The flimsy theory that our diminished foreign trade is due to retaliatory tariffs can not stand. Even if we should eliminate from consideration all figures and contemplate the bare fact that nations have been busy revising their tariffs ever since the war, only the most fantastic imagination could attribute these numerous revisions to the influence of the American tariff. Many nations have adjusted their duties



skyward, both before and since the American tariff of 1930 became effective. Anyone who looks into the background of the world's economic conditions ought to realize that all nations have been actuated by the same influence—the desire to protect their own producers. The world has been deluged with more goods than the purchasing power of the people can buy. Every nation is seeking to dump surplus crops or excessive industrial output upon its neighbors. Woe to the market that is unprotected in these days of feverish production and underdeveloped purchasing power. The manufacture of goods of every kind and the growing of crops have become so easy that the world is overwhelmed by the results.

To suggest that this dilemma is a result of tariff barriers is to put the cart before the horse. Tariffs that have sprung up, like mushrooms, in nearly every part of the world in the last decade are a result and not the cause of economic maladjustments. So long as world economic conditions remain as they are, no other nation will relinquish the protection of its domestic markets; and if the United States should attempt to do so, as a gesture of economic good will, our people would become the victims of world-wide exploitation.

The idea of Congress revising the American tariff downward, according to its own judgment, but acting as nearly as possible in concert with other nations, is a grandiose pipe-dream. Tariffs are levied for the protection of home markets, not with a view to stimulating international trade. If the protective policy is to continue as a vital force in our industrial and agricultural systems, it must be based upon the interests of American and not foreign importers. No nation can be allowed to dictate what our tariffs should be. When Congress once more undertakes to revise the tariff, it should be in response to a demand from Americans and not foreign interests. At present there is no such demand. A few Democratic candidates seeking to capitalize the depression have indulged in reckless charges, but not one has had the courage to submit a measure containing specific duty reductions. Why? Because they realize that American producers are already in distress and that any additional concessions to importers could only add to the number of unemployed men and idle factories.

Let the Democrats who advocate an international tariff conference name the industries that would be denied protection as a concession to importers who seek greater privileges in the American market; let them specify what industries they would sacrifice to appease the purchasers of American automobiles and machinery abroad. Unless the Democratic Party comes forth with a tariff measure to correct the alleged "iniquities" of the 1930 act, about which its spokesmen are complaining to the high heavens, it will convict itself of gross hypocrisy before the bar of public opinion.

The fact of the matter is, Mr. President, that the leaders of the Democratic Party in Congress are misled by European economic philosophy. They have borrowed the theories of the British and hence see no prosperity except that which comes from overseas. They put the United States in the position of a tiny state, like Belgium or Rumania, which must trade extensively with its neighbors to live. Apparently they are unable to comprehend the difference between the vast free-trade area of the 48 American States and the restricted confines of a European country. Where tariffs work an extreme hardship upon Europe with its myriad boundary lines, they make America with its endless and varied resources, its extensive market, and its high standards of living, the most prosperous Nation in the world.

The application of European policies will provide no solution for our economic difficulties. Suppose that Europe did succeed in reducing the economic barriers that separate one country from another. That would not obviate the necessity of equalizing the costs of production in the Old World with those of the United States. A substantial American tariff would still be necessary.

Public opinion has been stifled by misinformation as to the Republican tariff policy. For example, I read a few weeks ago in a magazine of reputable standing an article that purported to show that the Republican Party keeps building tariff barriers higher and higher simply because it is compelled by expediency to create a new issue for every campaign. To suggest that the Republican Party has written tariff acts that are contrary to its own best judgment is a slanderous falsehood that would be unworthy of answer were it not for the fact that this statement is part of an organized propaganda to discredit the tariff in the eyes of the American people.

I deny that the Republican Party has elevated tariff rates higher and higher without regard for the economic needs of our country. As a matter of fact, the average rate in the Smoot-Hawley Act is not as high as the corresponding average 30 years ago under the Dingley law. The best measuring rod we have for tariff barriers is the equivalent ad valorem rates. During the first six months under the 1930 act the average rate on dutiable items was 44 per cent. Under the Dingley law of 1897 the average rate reached as high as 52 per cent, and the average for the 12 years under this statute was in excess of 46 per cent.

Mr. TYDINGS. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Maryland?

Mr. SMOOT. I will yield for a question.

Mr. TYDINGS. I should like to ask the Senator whether or not he believes it was in consequence of the Smoot-Hawley tariff bill and whether or not it helped American laboring men when, after that act was passed, 246 American factories removed from Detroit, Mich., to Detroit, Canada, and many other American concerns transferred their plants to foreign countries, thereby employing foreign labor to make goods with American capital which had formerly been made by American capital in the United States?

Mr. SMOOT. The Senator need not talk about that movement beginning recently. It was going on before the Smoot-Hawley bill was passed. Mr. Ford established a plant in Ireland; the United States Steel in France; the shoe interests in Czechoslovakia. American capital, American machinery, American foremen went to other countries where there is the cheapest labor in the world.

Mr. TYDINGS. Does the Senator think that moving these 246 American plants from Detroit, Mich., over to Detroit, Canada, and employing Canadian workmen, helped the American workman who was unemployed?

Mr. SMOOT. The wage scale in Canada is about the same as it is in America, and there must be some other reason.

Mr. TYDINGS. The fact that Canada can send her products to the whole British Empire without paying any duty makes a difference, does it not?

Mr. SMOOT. The Senator wanted to ask me a question, and I have answered the question.

Mr. TYDINGS. I am now asking the Senator a question.

Mr. SMOOT. When I get through with my remarks I will answer any question the Senator may ask.

Mr. TYDINGS. If the Senator does not want to answer a question in direct opposition to what he is now saying, for the reason that it can not be answered, I will not insist on asking the question.

Mr. SMOOT. It is not in opposition to what I have said or to anything in the few remarks I am making. However, I am a protectionist and the Senator is not.

Mr. TYDINGS. I thank the Senator.

Mr. SMOOT. Mr. President, in 1909 the Republican Party revised the tariff downward, because it was convinced that the situation of the country warranted such action. The war saved the American people from economic difficulties when the Democratic Party riddled tariff rates in 1913. When the war was over it became imperative for the Republicans to reestablish the protective system to save the country from economic ruin. But the best measuring rods avail-



able indicate that the rates in the Fordney-McCumber law were not, on the whole, as high as those which prevailed at the beginning of the century.

Everyone who has given even superficial thought to the tariff act of 1930 knows that it was not a general revision upward, but that it was an adjustment to meet changing conditions. If Congress could have foreseen the conditions of world competition that now confront us, the rates might have been fixed considerably higher than they were. The Republican Party is not shackled to any impractical theory as to how high tariffs should be. We insist that they shall be high enough to protect American industry, labor, and agriculture against undue foreign competition. World conditions and not philosophical conjectures are the determining factor. In the intensity of economic competition among all nations and all people at this time it is a question of whether a greater and not a smaller degree of protection should be allowed to our own producers.

I deny that the rates and classifications of the 1930 tariff act operate as an embargo. Congress has set up a fact-finding agency—the Tariff Commission—which is charged with the duty of finding differences in the cost of producing the same or similar articles in the United States and the chief competing countries. During the last year the commission investigated and prepared reports on production costs for 72 different commodities. These commodities were the most controversial items in the last tariff bill. But the commission did not find them to be virtual embargoes. Thirty-nine of the seventy-two duties considered were found to equalize the costs of production here and abroad as nearly as that can be done. A few duties were found to be too low for that purpose, and some few were too high.

Where is there another country that bases its customs duties upon the differences in costs of production? Any importer who does not have an equal opportunity with American interests to sell upon our markets may appeal to the Tariff Commission to adjust the duty in question on the basis of different production costs. But the Democratic antiprotectionists would go farther than that. Their theory, as propounded upon the floor of this Senate, would give foreign producers a distinct advantage over our own people. When they plead for a policy of "the lowest production costs, living costs, transportation costs, and distribution costs," they ask that the American people voluntarily reduce themselves to a level with the peasants and paupers of Europe and Asia.

We have listened to the old and hollow story of the farmer being fettered by tariff shackles. Has anyone heard the farmers complain because of the tariff protection given them? Like all other groups they sometimes inveigh against the duties granted to other industries. That is a natural reaction. Every economic group would like to have as much protection as possible for its own members and as little as possible for other groups. But the farm organizations will not relinquish the advantages that were given them in the 1930 tariff act without a struggle.

The chief purpose of that act was to extend the protective policy to agriculture. Accordingly, the average agricultural rate was raised from 38 to 49 per cent, and a similar increase was allowed on articles manufactured from dutiable farm products. In contrast to this liberal allowance to agriculture, the average industrial rate was moved up from 31 to only 34 per cent.

Results from the agricultural tariff are remarkable in spite of the depression of prices. In the last year before the rates of 1930 became effective, agricultural imports were valued at about \$300,000,000 more than agricultural exports. In the first year after the rates became effective this adverse balance of trade for agriculture was virtually wiped out. At the same time agricultural exports have held up much better than the exportation of manufactured articles.

Some Democrats would expose the farmer to the ravages of world competition, even in this age when surpluses are being produced everywhere, merely to vindicate a worn-out theory. How can they ignore the fact that 90 per cent of all the crops from American farms come directly into com-

petition with foreign products of the soil. Argentina, Australia, and Canada can produce wheat, for example, at a fraction of the production cost in the United States. Soviet Russia is beginning to turn out vast crops of staple commodities, under the government monopoly, with almost no outlay for labor or land. These crops may be dumped upon the world market at any time. American farmers are liable to need more and not less protection.

Can the Democratic party speak for organized labor on the tariff? The plan of creating jobs by lowering the tariff so that the products of foreign labor may displace American goods is too puerile to need answer. Of course, American workmen are more efficient than those of Europe. But even efficient workmen can't earn their bread and butter without industries to employ their talents. What we need in America is more and not fewer industries. Thousands of men are being displaced every year by machinery. We must create new industries to give them work, and not destroy the industries we already have for the benefit of importers.

The fundamental difference between the Republican and the Democratic policy is this: The Republicans would protect the industries we already have and encourage the cultivation of our 90 per cent domestic market, so that new industries may take root to give work to the unemployed. The Democrats, on the other hand, would begin by allowing foreign competition to destroy some of the industries that we already have in the vain hope that they might be able to expand our 10 per cent market abroad. If the proponents of the Democratic theories can make an appeal to the workmen of America with such a proposition, then I have very seriously underestimated the intelligence of our citizens.

This Government should have no apology to make for reserving America for Americans. That has been our traditional policy ever since the United States became a nation. We have refused to participate in the political intrigues of Europe, and we will not compromise the independence of this country for the privilege of serving as schoolmaster for the world. In economics as in politics, the policy of this Government is, "America first." The Republican Party will not stand by and see economic experimenters fritter away our national heritage.

Critics have referred to our "economic nationalism" as if it were a term of reproach. On the contrary, it suggests the wisdom and soundness of the policy that has brought America into the rôle of the world's leading nation. In this hour of realities only fanatics dream of a day when national boundaries will be razed. At present national well-being, national prosperity, and national development are the only rod we have to cling to. We may expect the internationalists to expound the glories of world economic cooperation, but we must face the hard and cold fact that every nation is looking out for its own self-interests. And we must do likewise. To invite other nations to sit down with us at a council table and adjust our tariffs could lead in no other direction than toward calamity for the American people. Let the internationalists continue to dream of new streams of commerce flowing across the Atlantic and the Pacific and surpluses disappearing into rich foreign markets, ignoring the pitiful lack of purchasing power of the distressed countries of Europe, Asia, and South America. The Republican Party will not be tempted to share that reverie. It has a responsibility to the people to keep itself well grounded upon the basic element of common sense. Adversity makes it more and not less necessary that we preserve the American heritage, and we reserve the major share of our markets for our own producers.

#### MERGER OF DISTRICT STREET RAILWAYS

The Senate resumed the consideration of the motion of the Senator from Vermont [Mr. AUSTIN] that the Senate proceed to the consideration of House Joint Resolution 154 to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes.

Mr. JONES. Mr. President, the Senator from Vermont [Mr. AUSTIN] has sought for some little time to secure the consideration of a measure of interest to the District of Columbia. I should be glad to see his measure considered by the Senate, but it seems to me that the opposition is



so determined that it will probably be impossible for him to secure consideration for it. I have an appropriation bill, which has passed the House of Representatives, which I am very anxious to have considered. I therefore should like to ask the Senator if he has not about reached the conclusion that the wise thing probably to do would be to withdraw his motion for the consideration of his bill at this time?

Mr. AUSTIN. If the Senator will pardon me for a moment, at the conclusion of a very brief statement I will withdraw the motion, but I should like, if the Senator will yield for that purpose, to say a few words regarding it.

The VICE PRESIDENT. Does the Senator from Washington yield for that purpose?

Mr. JONES. I am glad to do so.

Mr. AUSTIN. I desire to make just a brief statement. The Congress of the United States is the sole sanctuary for the people of the District of Columbia in distress, and in this instance distress can be alleviated, I think, by such a business measure as the pending House joint resolution. This joint resolution is nothing more—

Mr. McNARY. Mr. President, will the Senator yield for the purpose of suggesting the absence of a quorum?

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Oregon for that purpose?

Mr. JONES. I would rather the Senator from Vermont would conclude his statement, unless he thinks we ought to have a quorum called. Then I will make a motion to take up a bill.

Mr. AUSTIN. So far as I am concerned, I would yield for a quorum, but I think it is up to the Senator from Washington.

Mr. JONES. Would the Senator like to have a quorum called?

Mr. AUSTIN. I think it would be wise, in view of what is taking place here.

Mr. JONES. Very well; I will yield to the Senator from Oregon to make the suggestion.

Mr. McNARY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Davis	Kean	Robinson, Ind.
Austin	Dickinson	Keyes	Schall
Bailey	Dill	King	Sheppard
Barbour	Fletcher	La Follette	Shipstead
Barkley	Frazier	Lewis	Shortridge
Bingham	George	Long	Smoot
Black	Glass	McKellar	Steiwer
Blaine	Glenn	McNary	Stephens
Borah	Goldsborough	Metcalf	Thomas, Idaho
Brookhart	Gore	Morrison	Thomas, Okla.
Bulkeley	Hale	Moses	Townsend
Bulow	Harrison	Neely	Trammell
Byrnes	Hastings	Norbeck	Tydings
Capper	Hatfield	Norris	Vandenberg
Cohen	Hayden	Nye	Wagner
Connally	Hebert	Patterson	Walcott
Costigan	Howell	Pittman	Walsh, Mass.
Couzens	Johnson	Reed	Watson
Dale	Jones	Robinson, Ark.	

The VICE PRESIDENT. Seventy-five Senators have answered to their names. A quorum is present.

Mr. AUSTIN. Mr. President, the people of the District of Columbia for years have knocked at the doors of Congress for admittance and for a hearing upon an important question of relief which has not been limited to this period of depression. The people of the District of Columbia have been in need of relief from the waste which necessarily exists whenever two street-railway lines occupy the same streets of the same city, as do the two street railways which are sought to be united by this joint resolution.

As some evidence of the extent to which the people have besought Congress to act in this matter, I call attention to the names of some of the citizens' organizations which the record shows have applied here:

Washington Chamber of Commerce, Washington Board of Trade, Merchants & Manufacturers' Association, Washington Central Labor Union, Washington Society of Engineers,

Progressive Citizens' Association of Georgetown, Central Business Men's Association, and Northeast Washington Citizens' Association.

It also goes without saying, but I should like to have it made a part of this record, that the owners of both of these street railways—and by "owners" I mean the stockholders as well as the officers of the corporations—have come to Congress asking Congress to effect this merger.

The joint resolution now pending in the Senate is a mere instrumentality to carry out a privilege and authority granted by Congress to these companies to do the act which they seek to do here now. This is a joint resolution merely to carry into effect a law passed by Congress in 1925; but this matter has been pending for approximately 15 years, and it is not prematurely brought here, as claimed. The essence of this measure, all the material elements of this measure, have been under consideration by the following boards and institutions of government:

The District Commissioners; Bureau of Efficiency; Director and staff of the Bureau of Accounts of the Interstate Commerce Commission; National Capital Park and Planning Commission; Public Utilities Commission; an expert, Doctor Maltbie, whose opinion was cited here a few days ago, now the head of the New York State Public Utility Commission, who was employed as an independent expert by the Senate Committee on the District of Columbia for that purpose, and who made a written report which has been here on file and in the Record for years; the House Committee on the District of Columbia; and the Senate Committee on the District of Columbia for several sessions.

So we find this joint resolution, after it has passed the House, early on the calendar of the Senate. At the earliest possible time during this session it was brought up for consideration, objected to from time to time; once, on a motion to proceed to its consideration, voted down; and now, on a motion for a simple hearing, what do we find? An organized plan to prevent even a consideration of this measure; an organized plan to prevent its becoming the unfinished business of the Senate.

Being so confronted in the late hours of this session, and realizing the importance of the measure of the Senator from Washington [Mr. Jones], I am about to withdraw my motion. Before doing so, however, I wish to call attention to this significant language.

During the discussions which have occurred here since I made my motion some very able speeches have been made alluding to improper practices by so-called power trusts in this land, and practices which were very vigorously condemned. It ought to give some merit to our position here, representing the people of the District of Columbia in their only legislature, that paragraph 5 on page 7 of this joint resolution provides:

That the original bonded indebtedness and stock liability of the new company shall not be in excess of the total amount of the stocks, certificates of stock, bonds, or other evidences of indebtedness then outstanding against the Capital Co. and the Washington Co.

So, Mr. President, I do not want this occasion to go by without alluding to the fact that there is not one drop of water in this proposed merger.

Mr. McKELLAR. Mr. President—

Mr. AUSTIN. I yield to the Senator from Tennessee.

Mr. McKELLAR. I have no doubt the Senator thinks that is the case; but if the Senator will examine into the history of these two companies he will find that practically all of the stock is watered stock, and a whole lot of the bonds are likewise watered bonds.

Mr. AUSTIN. Mr. President, the information which I have, and which I think is considerable, leads me to believe that there is not to-day 1 cent of stock or bonds that is not represented by property, not merely 100 cents on the dollar but in normal times more than 100 cents on the dollar; and when the time comes we will meet that claim.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from Michigan?

Mr. AUSTIN. I yield.

Mr. VANDENBERG. The Senator is dealing with a District problem which to my own personal knowledge has been at the bar of the Senate for five years; and if our precedents are any criterion, it will be here five more years before there is any action. That is no reflection on the Senate, because the Senate finds itself concentrated upon its larger responsibilities in the country as a whole.

I ask the Senator whether, in the face of this contemplation and his experience with it, he does not believe that the existing method, by which the Congress undertakes to be a common council for the District of Columbia, has come to be wholly outworn, inadequate, and unfair to the District itself, and that a fundamental responsibility upon us is to rewrite an organic act which will permit sufficient District of Columbia autonomy to allow problems of this importance in the District to have their day in court and their proper decision?

Mr. AUSTIN. Mr. President, I have given that thought some consideration, and my present view of the matter is that there is merit in the proposal. Certainly my experience in connection with this merger leads me to believe that it is extremely difficult to get any practical progress with a matter that is controversial and which relates to the District of Columbia and not to the country in general.

Mr. LONG. Mr. President—

Mr. AUSTIN. I am about to conclude.

Mr. LONG. I was wondering if the Senators from Michigan and Vermont did not know that the people of Washington at one time had one of these autonomous governments. It was run head over heels in debt, and the people of Washington themselves petitioned the Federal Government to take it over.

Mr. AUSTIN. Mr. President, I am withdrawing this motion at this time for two reasons. One is the obvious situation that we are in, nearing the end of the session, which leads me to doubt that it is wise to hold up the entire Senate with this motion at this time. The other is the importance of the measure which is alluded to by the Senator from Washington [Mr. JONES].

I now withdraw my motion, with thanks for the good will of so many Senators who have knowledge of this measure, and who, I believe, will be glad to support it whenever an opportunity can be given it.

Mr. JONES obtained the floor.

Mr. KING. Mr. President, before the Senator from Vermont takes his seat, will he yield to me?

The VICE PRESIDENT. The Senator from Washington has the floor. Does the Senator from Washington yield to the Senator from Utah?

Mr. JONES. If the Senator from Utah desires to ask a question of the Senator from Vermont, of course I yield.

Mr. KING. I wanted to ask the Senator whether any effort had been made to secure an understanding, akin to that which was obtained with respect to the Philippine bill, that this measure may be made the unfinished business at a given time when Congress meets in December, or that it shall follow the Philippine measure, or some other measure which may take its place, and be regarded as the unfinished business.

Mr. AUSTIN. Mr. President, if the Senator from Washington will yield further—

Mr. JONES. I yield.

Mr. AUSTIN. Such an effort was made in earnest, and, so far as I know, every possible means of persuasion was employed to that end and all efforts failed.

Mr. KING. Mr. President, may I say, if the Senator from Washington will pardon me, with reference to this matter—

Mr. JONES. I yield.

Mr. KING. Without any particular reference to the bill under consideration, I think it must be obvious to everyone that there should be a merger of the two railroads which

are now occupying the streets of this city. I can not quite account for the long delay that has occurred in accomplishing this result. I know that Congress itself urged—and I am not sure that that urging was not by virtue of a resolution or an act—the railroad companies to try to merge and to submit a plan of merger. They did submit a plan when the able Senator from Michigan was a member of the committee, as I recall, and that plan, as well as other suggested plans, was referred to Doctor Maltbie, employed by the committee because of his knowledge of the subject and the fact that he was regarded as fair and impartial, and when the plan was submitted we attempted to crystallize it into a bill and have it enacted into law.

I will not comment upon the reasons for the delay. It is only unfortunate that we can not secure action upon some measure. I am not committed to any measure, and I am sure the people of the District of Columbia are not committed to any particular measure, but they do want action, and I think the Senate has failed to discharge its duty in not passing in former years a genuine and fair and proper and sound measure for the merging of these two railway companies. I sincerely hope that when Congress meets in December the Senator from Vermont and other members of the committee will join in this or some other bill and try to secure action in regard to it.

One further observation. May I say to my friend from Michigan that efforts have been made to have the people of the District agree upon a plan to enlarge the jurisdiction of the commissioners, and to commit to the commissioners greater authority than that which they now possess. Unfortunately, the people of the District have not been united in the powers which they were willing to confer upon the District Commissioners, or, so far as I can discover, upon some other body subordinate in character to the Congress. When the citizens of the District of Columbia can unite upon a policy and upon a measure increasing the power and authority of the commissioners to deal with these local problems, I feel sure that Congress will be responsive to their demands.

Mr. GLASS. Mr. President, will the Senator from Washington yield to me for just a moment?

Mr. JONES. I yield.

Mr. GLASS. I do not think this opportunity ought to go by without some member of the Committee on the District of Columbia attesting the intelligent, the comprehensive, and the fair conduct of the distinguished Senator from Vermont [Mr. AUSTIN] in the consideration of this problem. He has done his work thoroughly and tolerantly, and I think it is a misfortune that practices have been resorted to in order to defeat the considered judgment of the Committee on the District of Columbia expressed over and over again. If we shall defer action upon this problem, and other kindred problems, until all the people of the District of Columbia shall unite, we shall never have anything done either as to this problem or as to the schools, or as to any other problem which has been considered in the 10 years I have been a member of the committee.

It is to be deplored that a measure to which so much of intelligent consideration has been given, particularly by the Senator from Vermont, should have been treated in this unreasonable fashion. I would not like to say and could not say temperately what I think of it.

Mr. LEWIS. Mr. President, if the Senator from Washington will yield to me, I merely want to take a second of the time of the eminent Senator, the chairman of the Committee on Appropriations.

As a member of the Committee on the District of Columbia, not always being able to attend all the sessions but having attended many of the sessions where this subject was considered, I beg to add my approbation of the work of the distinguished Senator from Vermont, and I adopt the language of the Senator from Virginia, to which I give my indorsement.

Mr. JONES. Mr. President, I desire to join with these Members of the Senate in their kind words with reference



to the Senator from Vermont, and I also desire to express my sincere appreciation of his kind consideration in the matter, and in the action he has taken. I hope the measure he has had in charge may soon be brought up for consideration.

Mr. HARRISON. Mr. President, will the Senator yield to me?

Mr. JONES. For what purpose?

Mr. HARRISON. I want to say some kind words about the Senator from Utah when the Senator from Washington has finished saying kind words about the Senator from Vermont.

Mr. JONES. Will not the Senator wait until I get my motion acted on?

Mr. HARRISON. Yes; I will be glad to do that.

#### WHEAT AND COTTON FOR THE RED CROSS

Mr. JONES. Mr. President, I move that the Senate proceed to the consideration of House Joint Resolution 461, making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress.

Mr. KING. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KING. Is the motion debatable?

The VICE PRESIDENT. The motion is debatable.

Mr. KING. I shall claim recognition before the question is put.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, returned to the Senate, in compliance with its request, the bill (S. 4940) to provide temporary aid to agriculture for the relief of the existing national economic emergency.

The message announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 4780) to provide that advances under the Reconstruction Finance Corporation act may be made for crop planting or crop cultivation, including summer fallowing, during the year 1932.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes, and that the House insisted upon its disagreement to the amendments of the Senate Nos. 46 and 47 to the bill.

#### THE REPUBLICAN ADMINISTRATION—REPLY TO SENATOR SMOOT

Mr. HARRISON. Mr. President, I shall not delay the Senate long, but I want to make some observations with reference to the speech my friend the senior Senator from Utah [Mr. Smoot] has just made touching the tariff.

Of course, those of us who have been here for quite a while have heard this speech so often, and know so well its purposes, that when we heard that this might be the last day of the session we were not surprised that the Senator from Utah should make a tariff speech. Especially did we feel no surprise when we reflected that the Senator from Utah is to come up for reelection this year, and he, in common with all other Republican Senators, will have a mighty hard fight on his hands.

I want to express my personal high regard of the Senator from Utah before he journeys forth, either to-night or to-morrow night, out into what is this year the strong Democratic State of Utah, to meet the forces in political combat next November. We all like the Senator from Utah personally. We wish for him every pleasure and happiness. But when it comes to politics—well, just as much as I like him personally, I dislike him politically.

The Senator from Utah started out in his speech on the tariff by citing the records of Democratic Senators on the tariff, saying, in substance, that they were all spotted protectionists. The Senator from Iowa [Mr. Dickinson] has

made the same argument; the Senator from Indiana [Mr. Warson], over the radio and elsewhere, has made the same argument; and the Senator from Utah a dozen times or more has made that argument.

The reason for that is quite plain. It is that they want to divert public attention and try to fool somebody and escape the consequences of their own nefarious conduct in dealing with the tariff question.

Mr. President, the Senator says that we make misleading statements about the President and about the administration. He was alluding to the speech of the senior Senator from Arkansas [Mr. Robinson] this morning. Permit me to say that the speech of the Senator from Arkansas to-day was one of the strongest deliverances that has been made in this Chamber in a long time. No wonder the Senator from Utah felt that he should say something with reference to that speech, because it cut to the quick. It laid on the table the bare hypocrisy of this administration and unfolded to the country the misleading statements of the Secretary of War in his speech last night. It was a splendid presentation of the political issues in this campaign, and the Senator from Utah will hear of it many times in the campaign as he confronts the people of Utah.

Talk about Democrats making misleading statements about this administration! We have been the best friends the administration has had. If it had not been for some of us on this side of the aisle pointing out some of the shortcomings of the administration and helping Republican Senators to put over some of the administration policies, they would have been in a bad fix. Indeed, if they had followed our advice more, they might have had a record such that they could praise.

The only mistakes I have made in my votes in the Senate have been in following some of the administration propositions. I did that apologetically, because I hoped we might help the country in its dire distress, and I accepted even doubtful formulas. The only defense I will have to make for such votes is that I was trying to help the country.

You can have all the honor you want about the creation of the Reconstruction Finance Corporation. Some of us voted for the act establishing that body, but I reckon we will answer for it for years to come. It did some good, and I hope it will do more; but you would never have put it over if it had not been for Democratic votes, mine among others. If there was ever a nonpartisan piece of legislation, it was the proposal for the creation of the Reconstruction Finance Corporation. There are any number of other propositions Mr. Hurley claims as a credit for the administration which we passed in a nonpartisan way, trying the best we could to help in this situation.

The Senator from Utah, in his tariff speech, undertook to praise the so-called Smoot-Hawley bill. He had more courage in doing that than did the Republicans who were assembled at Chicago recently. They were frightened at it. They would not even touch it. Indeed, they did not mention it in the platform or in those glorious and eloquent speeches that were presented to that great, quiet, unenthusiastic assemblage of Republicans at Chicago.

Mr. CONNALLY. Mr. President—

The PRESIDING OFFICER (Mr. PATTERSON in the chair). Does the Senator from Mississippi yield to the Senator from Texas?

Mr. HARRISON. I yield.

Mr. CONNALLY. Did not the Senator from Iowa [Mr. Dickinson] "paramount" it in his opening speech?

Mr. HARRISON. He may have apologized for it, but the Republican platform did not mention the Smoot-Hawley tariff bill. If I am mistaken about that, I want my good friend the Senator from Utah—because he is indeed entitled to all the credit for any tariff legislation that bears his name—to correct me and tell us whether it was mentioned. Do we not know that if the Republicans had thought it would have been a credit to the Republican Party in the campaign they would have praised the Smoot-Hawley tariff law? Yet they did not do it. My friend the Senator from Utah did not attend the convention, and I do not know

whether he sent word to them not to mention it or whether those fellows who were there writing the platform had better political judgment than he and, if he had told them to do it, would not have done it. Anyway, it was not praised or mentioned in the Republican platform.

Mr. GORE. The platform was too short.

Mr. HARRISON. Yes; it was too short. I think it occupied only one page in the metropolitan press and contained only about 17,000 words, while our platform, I think, contained about a thousand words and could almost be written upon a postal card. And yet we did not shirk the duty. We did not run at the mention of the Smoot-Hawley tariff law. We courageously stepped up and in a few short, crisp, truthful words we condemned it in the strongest possible language. We are perfectly willing, may I say to my agreeable friend from Utah, to go to the country this year on the issue of the Smoot-Hawley tariff law.

My friend the junior Senator from Louisiana [Mr. LONG] asked the Senator from Utah what was the cause of this economic disaster. The answer of the Senator from Utah was just as clear as his answers usually are. I wrote it down at the time he said it. When he was asked if the Smoot-Hawley tariff law did not bring on this economic collapse, he said, "No; it was the purchasing power of the world." Everybody understands that answer. When he was pressed for a further answer the Senator from Utah said, "No; it was not the Smoot-Hawley tariff law. It was because the World War destroyed millions of men and billions of property and revised profits"—a perfectly good answer and right to the point. That, he said, was the cause of the economic collapse.

But the facts will not be denied. The Senator may get all the figures he wants to show that the average of rates in the Smoot-Hawley law is below the average of the Dingley law and that the average is not as high, but he can not make a person in the country believe it, because it is not true. Everybody knows it, and I am surprised that the Senator from Utah did not admit that the present tariff law is the highest that has ever been put upon the statute books in the history of the United States. He wanted the rates to climb higher and higher and higher. It is true that under the Dingley law there were more things on the free list than there are now, so the Senator might work in the free list and get some sort of an average, but the tariff rates on imports into the United States were higher under the Smoot tariff law than ever before, and yet they are not high enough now for the distinguished Senator from Utah. He is willing, brave as he is, to go back to Utah and risk his political life on this proposition.

Some one asked the Senator from Utah about the tariff on oil and he evinced some surprise. He said there was no need until recently for a tariff on oil and that it is only in very recent years that the question has come up.

Mr. LONG. Mr. President, if the Senator will permit me—

Mr. HARRISON. I yield to my friend from Louisiana.

Mr. LONG. I think the Senator from Mississippi is a little in error. I think the Senator from Utah said he had always supported a tariff on oil.

Mr. HARRISON. I am just coming to that. The tariff on oil was proposed in 1922 by no less a person than the present Republican candidate for the Vice Presidency, who presides over this body. My friend from Utah did not support him in those days. When the Smoot-Hawley tariff bill was being given consideration the Senator from Oklahoma [Mr. THOMAS] had something to say about it, as shown by the RECORD. When my friend spoke about it in answer to a question, I looked up the RECORD to see if I was mistaken, because I thought the Senator from Utah had opposed a tariff on oil in the past. He was recorded as voting against a tariff on oil in 1930 when the Smoot-Hawley tariff bill was before the Senate. Not until the time when he wanted to get a tariff on copper, so that he might go back to Utah this year and tell them what he had done for copper, was he willing to take oil into the combination that finally put it over.

May I say I have never seen a more zealous and persistent fighter for any tariff than my friend from Utah was during the consideration of the tax bill with reference to the tariff on copper. When he was beaten one time he was not defeated. He came back stronger than ever. When my friend from Pennsylvania [Mr. REED] voted on one phase of the oil question, as I believe it was—on one occasion he did not vote for a tariff on copper, but he finally shifted around—the Senator from Utah was alert and right on the job. He knew how to get them back into the fold. He worked overtime doing that. He was not even for Hoover's furlough plan when it came to that. He worked at that time to get his copper tariff. Not until copper became involved was he in favor of a tariff on oil, and in order to put it over he was willing to accept oil, lumber, coal, and anything else.

Mr. President, it takes indeed a very courageous person in the political life of the country to-day to undertake to defend the Smoot-Hawley tariff law. More than a thousand economists prophesied what was going to happen and pleaded with the Senator from Utah and the President of the United States not to put over that legislative monstrosity; but they plowed ahead, they had their program mapped out, they went on to its completion, and the President finally attached his signature to it.

That is one of the troubles with the present President of the United States. I think he is a very well-meaning man, but, oh, what a procrastinator he is. How indecisively does he work. With what uncertainty does he proceed.

When the tariff bill was before the Senate, with what hesitancy did he take a stand. Here was the Senator from Utah saying, "We need these high rates." Here was the progressive element of the Republican Party, led by distinguished gentlemen like the Senator from Idaho [Mr. BORAH] and the Senator from Nebraska [Mr. NORRIS] and the Senator from Wisconsin [Mr. LA FOLLETTE] and others over on the other side of the Chamber. Did the President take his stand with the progressive element of his party? No! No one could find out how he stood. He was afraid he might make this element mad or that element mad in his party, and so in this spineless way he groped along, letting the Republican leadership of this body write the Smoot-Hawley tariff law which started the economic collapse in this country.

The Senator from Utah may smile; but I say to him that he should look outside and see men walking the streets, tired and hungry. He should go back to the mines of his State and see them closed and men out of jobs. When some one says to him, "It is because of the tariff bill that you fathered that this condition came about," he may smile; but there are millions of men and women in America who believed from the very time of the introduction of that bill that it meant closing the doors to the sale of our products in foreign lands, a shutting down of our factories, and increase in unemployment. It meant isolating ourselves in trade and commerce and a beginning of a retreat in our economic progress.

Sneer at it, gentlemen of the Republican Party; scoff at it if you will, but you have to answer to the American people this time and it will not be such an answer as the Senator from Utah gave when he was asked if the Smoot-Hawley tariff bill had not driven factories from the United States. "Oh," he said, "that has been done before; they have been going abroad for years. Mr. Ford 15 years ago put his plants into Ireland and some other concern built a plant somewhere else." That will not answer the American people, because the Senator's own Department of Commerce statistics show that practically \$1,000,000,000 in property investment, after the beginning of the consideration of the Smoot-Hawley tariff law, found its way into foreign countries, there to be invested, there to be expended for construction of factories, there to be used in giving employment to foreign labor to produce articles to be sold in competition with our own products. When the Senator looks at the hundreds of thousands of unemployed in Pittsburgh, Detroit, and other cities of the country, he must realize that they all know that he forced American factories to be



built abroad because of his selfish, narrow, isolated policy on the tariff question.

The Senator from Utah undertook to pay a tribute to the lamented McKinley, a great Republican, a man who had splendid ideas with reference to the tariff and other questions, and who had fixed principles in his heart and mind. Let me quote from that distinguished man.

If he knew that the Senator from Utah and others of his party were trying to implant upon the American people the policies which they advocated in the framing of the Smoot-Hawley tariff law, McKinley would turn over in his grave.

He would not want anyone in the same connection to mention his name on the floor of the United States Senate. Here is what McKinley said. He said it in the very last speech he made. He said it at Buffalo on the very occasion at which he was shot. Let us see how different it is from the Republican idea of to-day. He had such ideas as were incorporated by the Democratic leadership in this body, backed by the solid Democratic vote here and in the House, and which we tried to place on the statute books of the country and made every effort to have adopted as the policy of trade and commerce of the United States with the nations of the world. That was the policy which the Senator from Utah criticized and condemned as an unwise policy. But it was an unwise policy which was believed in by the great Republican protectionist, the martyred McKinley. Here is what he said:

Our industrial enterprises which have grown to such great proportions affect the homes and occupations of the people and the welfare of the country. Our capacity to produce has developed so enormously and our products have so multiplied that the problem of more markets require our urgent and immediate attention.

What wise words were those!

Only a broad and enlightened policy will keep what we have. No other policy will get more.

Let me read that again to the Senator from Utah, who would not follow any such wise policy as that. He wants us to withdraw like a turtle in his own shell and live to ourselves. He does not want to trade with foreign countries; he does not want to negotiate reciprocal trade agreements with foreign countries. He does not want any world economic conference. He wants tariffs so high that nothing can come into the United States. McKinley said:

Only a broad and enlightened policy will keep what we have. No other policy will get more.

Further, he said:

By sensible trade arrangements which will not interrupt our home production we shall extend the outlets for our increasing surplus. A system which provides a mutual exchange of commodities, a mutual exchange, is manifestly essential to the continued and healthful growth of our export trade. We must not repose in the fancied security that we can forever sell everything and buy little or nothing.

Listen, I ask the senior Senator from Utah:

If such a thing were possible, it would not be best for us or for those with whom we deal. We should take from our customers such of their products as we can use without harm to our industries and labor. Reciprocity is the natural outgrowth of our industrial development under the domestic policy now firmly established. What we produce beyond our domestic consumption must have a vent abroad. The excess must be relieved through a foreign outlet, and we should sell everywhere we can and buy wherever the buying will enlarge our sales and productions, and thereby make a greater demand for home labor.

What wise words were those! How greatly to the interest of the Republican Party it would be, what confidence it would inspire in the hearts of the American people, if they would follow the wise principles and policies laid down by the lamented McKinley instead of those of the author of the Smoot-Hawley tariff bill, in which the Republicans did not have enough confidence to mention in their platform.

The period of exclusiveness is passed.

Let me read that again. Let me burn it into the hearts of my Republican colleagues. When they go out on the hustings during the campaign, instead of seeking to deceive the people on the tariff question will they not get a copy of McKinley's speech and read a little bit of it to them, read to them, at any rate, this part of that speech:

The period of exclusiveness is past. The expansion of our trade and commerce is the pressing problem. Commercial wars are unprofitable. A policy of good will and friendly trade relations will prevent reprisals. Reciprocity treaties are in harmony with the spirit of the times, measures of retaliation are not.

And yet day by day and week by week and month by month, with a President twiddling his thumbs and saying nothing, Senators on the majority side of the Chamber pressed the consideration of this tariff monstrosity, which resulted in isolating this country, in destroying all hope for an enlargement of our foreign trade and commerce, and in making foreign peoples angry with us, causing the organization of cartels and boycotts in foreign countries. They went madly to work and did a good job in wrecking our country.

The wonderful achievements of the Republican Party! I wish I had time, Mr. President, to go down the line and properly expose the hypocritical actions of the administration. In the speech of Secretary Hurley, as published this morning in the press, he makes a statement which I thought he was too big to make. I did not think that this great Secretary of War—and Republican Senators need not smile when I say the "great" Secretary of War—would make a statement such as this:

Is he condemning the Wilson Democratic administration for having given the allied nations nearly all the money the American taxpayers owned and asking in return not even a definite promise to pay? Is he going to lift that burden that his chieftain placed on American taxpayers?

He was asking that question of the standard bearer of the Democratic Party and charging the Democratic administration during the war with having put this burden upon the taxpayers of America. I did not think that politics had become so degenerate; I did not believe that men could become so partisan as to charge the Democratic administration of President Wilson with putting upon the people the burden of taxation due to war necessities and to the conduct of the war.

How different was the attitude of the great Secretary of War who served during the World War from that of the present great Secretary of War under Mr. Hoover! This gentleman is playing politics in his office and charging that the Democratic Party is responsible for the burden of debt in this country due to the prosecution of the war, while his predecessor during the war refused to play politics in any instance, so far as I have ever heard. The one fault I found with Newton D. Baker when Secretary of War was that I could not get any closer to him than a Republican could get; and I like to get a wee bit closer to my own Secretary of War than a Republican can get; and I do not mind a Republican Senator getting closer to a Republican Secretary of War than I can get. However, it must be said to the credit of Newton D. Baker as Secretary of War that he played no politics in that high office; that a Republican could get as much as a Democrat could get; that he was for prosecuting the war and carrying the orders of the illustrious Wilson to victory and to glory. But the present Secretary of War, speaking to Ohio Republicans last night, charges the whole foreign debt and all the taxes that have been put upon the American people to the Wilson administration, because that administration prosecuted the war.

Ah, Mr. President, whatever glories came from that war are not glories of the Democratic Party. I am proud that the Democrats were at the head of the Government at that time, and I do not believe that any other administration could have rendered finer service to the Nation than was performed by President Wilson and his splendid Cabinet—all honor to them—but the war was not won by Democrats any more than by Republicans. The brave lads who are buried in "Flanders field," as well as all who served their country, whether they be Republicans or Democrats, deserve full credit. Their unselfish and patriotic service is the priceless glory of the whole country; and no Democrat or Republican can detract from it—and it will not reflect credit upon any administration or any Cabinet officer now to try to raise the skeleton of the war and blame the Democrats for the part we played in it. In that war was written one of the finest chapters of American history. The insinuation

that the Democratic standard bearer or the Democratic Party may favor lifting the foreign debt and placing it on the backs of the American people is unworthy of the Secretary of War. Could stronger language be employed to convey a party's plans than is found in the Democratic platform? It speaks directly and clearly against the cancellation of the foreign debt. How different with the party of the Secretary of War. On that question, important as it is, his platform is as silent as the tomb.

Mr. President, I have said about all I want to say. The issue is joined on many things. We are perfectly willing to fight it out in Utah and elsewhere on the tariff question; but, before I close, inasmuch as I presume the Congress is going to adjourn to-night or to-morrow, I want to express myself here on one other question, because I am going to do it in the campaign.

I have not recently said anything about the prohibition question. I have been classed as a dry; I have voted that way consistently; I have never voted any other way.

It has been amusing to me to hear my good friend the "Tall Sycamore" from Connecticut, day after day, in grand parade, as he pranced this floor, prate about the beer question and the liquor question. I do not know just when it was he started, but it was about the same time that he decided he would run for reelection as Senator from Connecticut. So, in order to curry a little favor, he got busy and he has been very busy. Of course, the people of Connecticut will wonder why he did not have any influence with his Republican friends at Chicago and in the Senate so that he could get them to stand for his position, but he did not have. He has made his motive plain; he is playing politics.

Here is my position on this question. It may not suit some people, but I myself do not expect and I do not want to see my colleagues to pull out of the fire the chestnuts of Senators on the other side. I am perfectly willing to go to the country on the declarations of the two platforms on the prohibition question in the coming campaign. There is one thing about it—there is no uncertainty about the Democratic position; it is clear; there is no equivocation about it and no ambiguity. I voted in the resolutions committee for the report of the subcommittee that drafted a submission plank. That went about as far as I wanted it to go. As a matter of fact, I would not have gone that far if it had not been for the recommendations submitted. But, the other plank having been adopted, I am for it; I expect to speak for it; and I expect to vote that way after the 4th day of March, if I am given an opportunity to do so. No one can charge me now with helping you out of your troubles in New Jersey—and I am looking at the Senator from New Jersey now.

Mr. KEAN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from New Jersey?

Mr. HARRISON. Gladly; I yield.

Mr. KEAN. I am delighted to hear the Senator is going to vote for a submission of this question to the people. The whole country is very anxious to have a chance to vote on it. I congratulate the Senator, but I should like to have him vote on it a little bit before the 4th of next March.

Mr. HARRISON. Yes; the Senator is delighted I am going to do it, and he congratulates me—

Mr. KEAN. I do.

Mr. HARRISON. Why did not the Senator use his influence and power with his own Republican colleagues and Republican President to do what we are going to do? The Senator from New Jersey wishes that I would vote that way earlier than the 4th of March. I am wondering if he knows, because he is close to the gentleman in the White House, how the President feels about the proposition, and does he agree with the President in his position on the prohibition question?

Mr. KEAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Mississippi yield further to the Senator from New Jersey?

Mr. HARRISON. I yield.

Mr. KEAN. I would be delighted to tell the Senator if I knew.

Mr. HARRISON. Of course, I knew the Senator did not know; nobody knows.

Mr. KEAN. The President has not confided in me any more than he has confided in the Senator from Mississippi, but if we should pass a joint resolution repealing the eighteenth amendment it would not be necessary for it to go to the President of the United States; it would go to the people for a vote, without the signature of the President.

Mr. HARRISON. Yes. I understand, then, it does not make any difference how the President feels about the proposition. Is that right?

Mr. KEAN. It makes a difference to you.

Mr. HARRISON. Yes, it does; it makes a lot of difference to me, and it ought to make some difference to the people of New Jersey. Yet the distinguished Senator from New Jersey says it makes no difference how the President feels on this question. I am wondering whether when the Senator speaks in New Jersey during the coming campaign he is going to tell them then what he is telling the Senate now—that it makes no difference how the President stands on the prohibition question. The Senator has said he does not know how the President stands. If in November the Senator is going to stand by the remarks he has just made, I hope he will keep his seat; but if when he gets on the hustings he is going to shift his position and take a different one from that he has just taken I hope he will now rise and tell us he is going to do that. Of course, if he does that, it will be in keeping with the antics of other Republicans, who change their position about every other day, and when he keeps his seat and says nothing he is following the leadership of President Hoover, who has kept quiet and said nothing on this question up until now.

So, Mr. President, I am trying to do, in these few remarks, what President Hoover has not the courage to do. If the Senator from New Jersey would follow his own inclination he would agree with me that the President ought to express himself now as to how he stands on this question. I stand upon the Democratic platform. I expect to follow the platform. I expect in March, when we have a President Roosevelt in the White House, and a Democratic Senate here, and a Democratic House of Representatives, to vote "aye" on a resolution to submit the repeal of the eighteenth amendment to conventions in the several States; and I have not any doubt that on this side of the aisle the great majority if not all of Democrats will do the same thing. Indeed, I know of no Democrat who would fail to do that under the circumstances, because we are going to the people upon that plank in this campaign.

Mr. KEAN. Mr. President, will the Senator yield?

Mr. HARRISON. Yes; I yield to the Senator.

Mr. KEAN. The Senator has said that he would vote to submit the repeal of the eighteenth amendment if he had a Democratic Senate and a Democratic House and a Democratic President in the White House. I say I will vote that way whether we have a Republican or a Democratic Senate and House and President.

Mr. HARRISON. Well, that is all right. I do not care how the Senator votes. [Laughter.] It does not make much difference, anyhow. He ought to exercise some of his influence with some of his party colleagues.

Mr. TYDINGS. Mr. President—

Mr. HARRISON. I yield to the Senator from Maryland.

Mr. TYDINGS. I should like to say, in line with the observations of the Senator from Mississippi, that during the last three days I have had a poll made of the 47 Democratic Members of the Senate. A few of them have been away from the Capitol, and to them we have sent telegrams. This poll has elicited the views of over 40 Members of the Senate on this side of the aisle. I am glad to say that about 95 per cent of them are in complete accord with voting for the plank in the Democratic platform when we get in power.

Mr. HARRISON. Now I want to ask the Senator from New Jersey whether there are any other planks in the Republican platform that he repudiates.

Mr. KEAN. No, Mr. President.

Mr. HARRISON. Is the Senator for the Democratic plank on prohibition, or the Republican plank on prohibition?



Mr. KEAN. Mr. President, when I ran for the United States Senate I announced that if I came here I would vote to modify the Volstead Act, and I have consistently kept that promise. Now, the Democratic plank says that they will immediately modify the Volstead Act, and I ask the Senator from Mississippi what he has done toward that.

Mr. HARRISON. I am going to answer the Senator from New Jersey. He can not ask me a question that I will not answer. If the Senator would be just as frank with me as I am going to be with him, the country would understand how we stand on the proposition. Now will not the Senator be equally candid with me? What plank does he favor—the Republican plank on prohibition or the Democratic plank on prohibition?

Mr. KEAN. I favor the Republican plank as drawn and submitted by the delegates from New Jersey, which was for direct repeal.

Mr. HARRISON. Yes; and that was repudiated; was it not? That was voted down, was it not? And the Senator was not there trying to help put it through, either; was he? No; he stayed here.

Mr. KEAN. Mr. President, I was honored by the people of New Jersey with election as a delegate at large; but I felt that my duty here was such that I could not go away, and I stayed here.

Mr. HARRISON. I do not know whether the convention would have been in a worse fix or we would have been in a worse fix if the Senator had been there or here [laughter]; but I want the Senator to answer my question.

The Senator has told us now that he was for the plank that was submitted by the New Jersey Republicans at the Chicago Republican convention, but that was voted down. Now we have the plank on prohibition as proposed by the Democrats and adopted by the Democrats, and the one that was adopted by the Republicans. Which does the Senator favor?

Mr. KEAN. I am still for the New Jersey plank, Mr. President. [Laughter.]

Mr. HARRISON. Does the Senator think that the New Jersey plank, as proposed at the Republican convention in Chicago, was as good as or better than the plank as adopted by the Democrats at Chicago?

Mr. KEAN. I do.

Mr. HARRISON. The Senator thinks it was a better one?

Mr. KEAN. Yes.

Mr. HARRISON. The Senator will hear from that again. The Senator would rather have had that one than the Democratic plank, as I understand?

Mr. KEAN. Yes.

Mr. HARRISON. Now, I want the Senator to explain to us what that plank was, as submitted by the Republicans of New Jersey.

Mr. KEAN. That plank—

The VICE PRESIDENT. If the Senator does that, the Senator from Mississippi will lose the floor.

Mr. HARRISON. I would run the risk of losing the floor just to get an answer from the Senator.

The VICE PRESIDENT. The Senator from Mississippi will yield the floor if he permits the Senator from New Jersey to answer him, and the Senator from New Jersey will be recognized. Does the Senator from New Jersey wish to answer the Senator from Mississippi?

Mr. HARRISON. Does the Senator want to take me off the floor? Is that the reason why he is answering?

Mr. KEAN. No, Mr. President.

Mr. LEWIS. Mr. President, a parliamentary inquiry.

Mr. HARRISON. I ask unanimous consent that the Senator may answer my question without my losing the floor.

The VICE PRESIDENT. No; the Chair is going to get this matter through. The Senator from Mississippi can not yield for a speech without losing the floor.

Mr. HARRISON. Well, Mr. President, of course I do not blame the Vice President for protecting the Senator from New Jersey.

Mr. KEAN. Mr. President, the Senator from Mississippi has not answered my question.

The VICE PRESIDENT. The Senator from New Jersey has no right to ask a question. The Senator from Mississippi can yield for a question.

Mr. HARRISON. I yield for a question, if the Senator wants to ask me a question.

Mr. President, I think we understand the Senator from New Jersey. I say that I stand on the Democratic platform. I expect after the 4th of March, when this question is submitted to the Senate to vote for a resolution submitting the question to conventions in the several States. I will go farther. Living up to my platform, if I were a delegate to the convention in my State where this matter was submitted to it, I would feel in duty bound to vote to adopt that repeal. If, after that is done, the question comes up in my State as to whether or not I should turn away from prohibition within the State, modify the law or repeal it, I should vote against it. I shall vote, as a citizen of Mississippi, to hold to and maintain prohibition within the State; but as a Democratic Senator from that State, on or after the 4th day of March, if the question comes up here, I shall vote to submit the repeal of the eighteenth amendment to conventions in the several States.

"Why do you not vote for it now?" some one will ask. That is a perfectly proper question from a Republican source. We adopted a platform out there in Chicago, and you did, too. It is to be a sounding board reflecting the views and wishes of the American people in November. Senators who are coming up for reelection this year are running upon that platform. Representatives in Congress seeking reelection are running upon that platform. We have nominated a candidate for President and Vice President on that platform. We are going before the people on that platform. You have nominated your candidate for President and your candidate for Vice President on a different platform. No one understands what you mean on the prohibition question. It is ambiguous. It is as clear as mud. No one can explain it. You are going before the country on that proposition. The American people will have a clear-cut issue presented to them.

If the people of New Jersey want Mr. Hoover, and want the Vice President, and want your weak, milky, muddy prohibition plank on repeal, then they will vote for your Republican ticket. If they want to repeal the eighteenth amendment—and you say they do, although you have had a lot of fights within the Republican Party on that proposition; a lot of them in your party do not believe as you do on it—then they will have an opportunity to vote whether or not they want straight repeal.

As I look into the cunning eyes of my friend from New Jersey I want to give him a piece of advice. He does not come up for reelection this year; but if he wants to have a ghost of a chance of coming back, he had better not play ping-pong with the people of New Jersey on this issue. He had better tell them that he does not know what Hoover's views are; that he does not know what the Vice President's views are; that he only knows his own views; that the Republican Party has not been right on this question; that it has tried to play both ends against the middle; that he does not know what their platform means, it is so ambiguous. Talk like the Senator from Connecticut [Mr. BINGHAM]. He is not here now. Somebody probably told him I was going to talk on this subject and he left. He did not want to hear a real good speech on the eighteenth amendment. [Laughter.]

The VICE PRESIDENT. No demonstrations in the galleries are permitted.

Mr. HARRISON. If the Senator will just make the same kind of a speech as the distinguished Senator from Connecticut [Mr. BINGHAM] made to the Republican Convention, when he told them practically that they were a gang of hypocrites out there, and that the country would not accept that kind of plank, and that they ought to repudiate it, the Senator may get away with it up in New Jersey; but he will not if he takes the kind of a cue that he is following.

One thing, too, can be said about delegates to the Republican and the Democratic conventions. They knew what they were about. Of course it took a great deal of haltering on some of the delegates to keep them in line all the time.

Mr. KEAN rose.

Mr. HARRISON. Before the Senator asks me a question, since I do not want to be taken off the floor—

Mr. KEAN. Mr. President, will the Senator yield for just a question?

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from New Jersey?

Mr. HARRISON. I will yield to the Senator after I tell him this incident.

Of course I do not blame delegates and Republicans generally for not knowing what to do, because the President does not know what he is doing half the time. The Republican delegates from Mississippi clearly indicated the Republican frame of mind when they had this plank on prohibition up in the convention. The negro delegates from Mississippi, who headed the delegation, never had any influence with this administration. As soon as this crowd up here got in, they turned out the negro delegates and the negro citizens down there were denied entrance to the White House.

Mr. LONG. They did that in my State, too.

Mr. HARRISON. They did it in practically all the Southern States. They put in other patronage fellows to control the post offices, some very nice gentlemen, and they have been in control for four years; but when they got out to the Chicago convention, of course, the administration did not have any more use for these white gentlemen. They had some very smart negro delegates there, and of course they had a good influence in the North in certain sections among certain people; so in a contest there before the credentials committee they seated this delegation from Mississippi, and when the prohibition question came up they did not know for a while exactly how they were going to vote.

The instructions went from Perry Howard, the high "muckety-muck" of the negro delegation from Mississippi, who is one of the real and influential negro orators of this country, and there is none better. He left word, since he had to go to make a Republican speech, to vote "aye" on the adoption of the platform, and there was but about one delegate left in the Mississippi delegation, it is said, and he happened to be a negro, too. It was his first experience in a convention, and when the minority plank was presented first, he voted "aye," following the command of his chief. This substitute did not know the difference between a dry and wet plank. Of course, my friend from New Jersey would know better. But as to where the President stands on this question, he has no more conviction than the Republican delegate from Mississippi, and he will probably remain about as quiet, for fear he will make a mistake. [Laughter.]

Mr. LONG. Mr. President—

Mr. HARRISON. In just a moment I will yield.

That is the way with a good many of our Republican friends, whether it is in the Republican convention or elsewhere. We know what we are about. We were clear cut and direct in what we said our plank would be. We knew, when we adopted it, what we were doing. We expect to go before the country on that proposition, and we are going to live up to it. If we are intrusted with power by the people from New Jersey, and by the citizens of this country, after the 4th of March, we will live up to the platform, and we will pass a resolution repealing the eighteenth amendment.

I yield to the Senator from Louisiana.

Mr. LONG. I wanted to ask the Senator, just before he left the point about the care that is given to the negro delegates from Mississippi and other Southern States, inasmuch as we know that after they get through with them in the convention, that ends their political participation, if they are not in the position usually down our way of being permitted to receive sacrament and vote for the preacher in Republican politics, and that about ends the matter.

Mr. HARRISON. That is right. As soon as the election is over our colored friends down there will be thrown out and the white bunch will be put back in. But they will use them effectively in the campaign.

Mr. KEAN. Mr. President, will the Senator yield?

Mr. HARRISON. I yield to the Senator.

Mr. KEAN. I would like to ask the Senator from Mississippi whether he is aware of the fact that all the Republicans in the House from New Jersey asked the candidate for Vice President of the Democratic Party whether they could not amend the Volstead Act now, and he refused to allow them to do so? How does the Senator from Mississippi explain that?

Mr. HARRISON. That demonstrated that our vice presidential candidate has political sense. Does the Senator think we are so foolish, that we know so little about politics, as to pass a beer proposition here at this session of Congress? Does the Senator think that if there is any advantage to come from the modification of the Volstead law, within constitutional limitations, in the coming election, we are going to give it all away by voting for modification at this time? We are not violating any pledge by taking that course. It takes a good long time to pass a constitutional amendment.

Mr. KEAN. Mr. President—

Mr. HARRISON. I hope the Senator will wait a moment. It takes some time to do that. It took a long time for the suffrage amendment to be adopted by the various States of the Union and by the Congress, and the same was true with reference to the eighteenth amendment. So, if the resolution for the repeal of the eighteenth amendment is proposed by the Congress in March, I dare say it will take some months—indeed, it may take a year or more, or several years—before the requisite number of conventions of the States shall have adopted the proposition. In the meantime, in the interim, before the eighteenth amendment shall have been repealed, we pledge ourselves, in this plank of the Democratic platform—and we expect to go before the country on that proposition during this campaign—that on the 4th day of March, or as soon thereafter as possible, we will modify the Volstead law within constitutional limitations so as to permit beer to be sold. Does that answer the Senator's question? I know it is disappointing to him.

Mr. KEAN. No, Mr. President; it does not answer my question because the Senator from Mississippi says on the 4th day of March and the platform says "immediately."

Mr. HARRISON. Oh, the platform says "immediately."

Mr. KEAN. Therefore the Senator repudiates the Democratic platform.

Mr. HARRISON. "Immediately!" That plank was not adopted for the guidance of Congress at this session at all. That platform was adopted for candidates for the Senate and the presidential and vice presidential candidates to run on. But the Senator complains. Well, his platform says nothing. It is perfectly silent on modification. What are you going to do; take yours, with nothing in it, or ours, with a definite promise? In the speech delivered by the senior Senator from Massachusetts [Mr. WALSH], who introduced the substitute amendment, and who championed it, and who made a most forceful speech for it, in presenting it to the committee on resolutions and in the Democratic convention, he expressly stated that during the interim, after we have passed through the campaign, we will take the action which I have suggested.

No one ever dreamed that the question would come up in this session of Congress, and from a Democratic standpoint it would be a foolish thing for us to try to take action now. Let those who want to modify, whether it be in Connecticut, or up in Rhode Island, or in New Jersey, those who want the Volstead law modified, vote the Democratic ticket, vote for the platform that insures that; and after the 4th of March, if they will give us enough votes here, we will put it over for them.

Mr. LEWIS. Mr. President, if the Senator will yield, I wish to ask the Senator from Mississippi, whose very clear



exposition was aided by the questions propounded by the Senator from New Jersey and the replies made by the Senator from Mississippi, if it be not true that, if the amendment, so called, tendered by the Senator from Connecticut under the guise or name of a modification of the Volstead Act, had met with success in humiliating the President of the United States and defeating the object of the home loan bill, and had been added to the home loan bank bill and sent to the House, would not the House have had a home loan bank bill and no beer bill whatever before it? The public has not understood that.

Mr. HARRISON. Yes. Before the Senator from New Jersey leaves the floor, with the permission of the Presiding Officer, I would like to ask him a question. The Senator says he is for the modification of the Volstead law so as to permit the sale of beer, and he wants it done right now. Does the Senator think that his President would sign a bill if it were passed now, or at any time, carrying out that idea?

Mr. KEAN. I hope so, Mr. President.

Mr. HARRISON. The Senator hopes so. He does not know, though, does he?

Mr. KEAN. I have no secret information of anything the President is thinking about.

Mr. HARRISON. Does the Senator believe he would?

Mr. KEAN. I do.

Mr. HARRISON. The Senator believes he would sign it?

Mr. KEAN. I do.

Mr. HARRISON. The Senator is a living curiosity of Republican optimism. [Laughter.]

#### CROP CULTIVATION LOANS

Mr. FLETCHER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 4780) to provide that advances under the Reconstruction Finance Corporation act may be made for crop planting or crop cultivation, including summer-fallowing, during the year 1932, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House, and agree to the same.

PETER NORBECK,  
FREDERICK STEIWER,  
DUNCAN U. FLETCHER,

*Managers on the part of the Senate.*

HENRY B. STEAGALL,  
T. ALAN GOLDSBOROUGH,  
ANNING S. PRALL,  
L. T. MCFADDEN,  
JAMES G. STRONG,

*Managers on the part of the House.*

Mr. FLETCHER. I move that the Senate agree to the conference report.

Mr. KING. Mr. President, will not the Senator make an explanation?

Mr. FLETCHER. The Senate passed a bill, Mr. President, in connection with the loans for production of crops under certain conditions for the year 1932. The House amended the bill so as to include in the 1932 extension, under the conditions named in the measure, dairy products.

The Senate disagreed and asked for a conference, and the conferees upon the part of the House and the Senate met; the House conferees insisted upon their amendment, the Senate conferees receded, and the House has adopted the conference report. I am therefore moving that the Senate agree to the report. It means no new appropriation.

Mr. KING. Mr. President, may I ask the Senator whether this involves the \$10,000,000 appropriation heretofore made?

Mr. FLETCHER. No; it has nothing to do with that. It makes no new appropriation.

Mr. KING. What was the original fund appropriated?

Mr. FLETCHER. I think it was \$200,000,000.

Mr. KING. From the Reconstruction Finance Corporation fund?

Mr. FLETCHER. Yes.

Mr. CONNALLY. Mr. President, as I understand it, the effect of the conference report is to extend throughout the present year the operations of the agricultural production loan. Is that correct?

Mr. FLETCHER. That is correct; so as to include cultivation.

Mr. CONNALLY. It does not extend it over until next year?

Mr. FLETCHER. No.

Mr. CONNALLY. I am very much pleased with the report and hope it will be agreed to.

Mr. BLAINE. Mr. President—

The VICE PRESIDENT. Does the Senator desire to debate the conference report?

Mr. BLAINE. Is it debatable?

The VICE PRESIDENT. It is debatable.

The conference report was agreed to.

#### MERGER OF STREET-RAILWAY CORPORATIONS IN THE DISTRICT OF COLUMBIA

Mr. BLAINE. Mr. President, there was some confusion in the Senate following the statement of the junior Senator from Vermont [Mr. AUSTIN] in withdrawing his motion that the Senate proceed to the consideration of the street-car merger measure. It was my desire at that time to rise and approve the withdrawal of that motion. I was not recognized, through no fault of the Chair, and therefore I desire at this time to express my approval of the Senator from Vermont in withdrawing the motion to take up the so-called merger bill.

It has been very obvious to everyone that deliberate consideration could not be given this very important measure during the closing days of the session.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

Mr. BLAINE. I want to make my statement. I have waited over an hour for the opportunity.

It has been apparent to everyone that during the last three days there has been a great deal of political discussion introduced in the debate. I am not objecting to that. I make no complaint about it. That is perfectly natural. It was bound to be so. I realized when the motion to proceed to the consideration of the merger bill was first made that the Senate would be in no mental or temperamental condition to give the bill earnest and serious consideration.

The Senate has now been in session for over eight months continuously, engaged in the consideration of important legislation. The measure is of such great importance to the people of the District of Columbia that it ought not to be taken up in the last two or three days of the session under the conditions that have existed. It is a measure that should require and does require the conscientious consideration of the Congress at a time when the Congress could give it due and proper consideration.

The merger bill, so called, is not a complete unification bill. It still leaves the utility companies within the District in a scrambled condition. The bill that is pending also authorizes a system of subsidiary companies, which means that in the future, and we do not know how near that future may be, the Congress will be again confronted with a merger proposal to unscramble the various subsidiaries that are authorized to be created under the bill.

There are some other interests outside of the traction interests which should be considered in connection with this matter. There are more than half a million people in the District of Columbia who have no representation in the Congress. They must rely upon the Members of Congress and by petition submit their views, their demands, their rights. Under the merger bill as proposed practically the only benefit that would come to the street-car users in the District of Columbia, as shown by the testimony, would be a saving of about \$60,000 in transfers, but the traction companies would escape not less than \$250,000, though estimated by some to run as high as \$400,000, of a charge that is now made against the traction companies and which expenditure, when the traction companies are released therefrom, will be fastened upon the taxpayers of the District. There-

fore, from the financial standpoint of the people of the District, they would be the losers financially under the proposed merger bill.

Moreover, it has been the desire of those who have been laboring for years in connection with the matter to bring about a complete unification. There is no objection to a unification measure, but there is objection on the part of the people of the District to setting up a system whereby the North American Co., a foreign company, shall obtain control of both street-railway systems and of the Potomac Electric Power Co., the company which produces the electric energy not only for the street cars but as well for the private users of electricity in the District. The bill as it is drafted would make the North American Co. a holding company for the new company and for the Potomac Electric Power Co. It would also make the North American Co. the holder of such subsidiary companies as are authorized under the proposed bill. Therefore, instead of having a unification bill we have a bill which scrambles the situation more than it is to-day. It has been the desire of those who have been urging unification in the interest of the people of the District to unscramble the entire situation, to bring about a complete unification, and thus bring to the people of the District reduced street-car fares and reduced rates for electric power and light.

I am not going to discuss the merits or demerits in any great detail. I have merely called attention to the importance of the measure. I also want to call attention to another very important feature of the bill. The bill as reported by the House provides only for universal transfers between street cars, but it gives to the new street-railway company that is to be organized and to the bus company a complete monopoly of the streets in the District of Columbia. Those of us who have undertaken to speak for the people of the District believe that we should follow the rule that where there is a monopoly granted for the use of the streets for a particular purpose, namely, for transportation by bus and street car, there shall be universal free transfers. Some of us who have been undertaking to bring about a unification believe that there ought to be an opportunity to consider the bill when the Senate has sufficient time and not in the closing days of the session which are occupied to a large extent, as the time has been occupied, by political speeches.

In view of the situation which I have described I think it was the part of wisdom, it was good sense, for the junior Senator from Vermont [Mr. AUSTIN] to refrain from pressing his motion in the closing days of the session. For one, and I think I can speak as well for the chairman of the Committee on the District of Columbia, Mr. CAPPER, I believe that this matter ought to be taken up at such time as it can be fully considered, when the amendments which will be offered may be properly and fully explained, with a single object in view, namely, the complete unification of the transportation systems in the District of Columbia, including the Potomac Electric Power Co., protection to the people of the District respecting rates, and a complete unscrambling of present conditions. If we were to pass the merger bill as it has been reported to us, we would then be inviting additional extensions of street-railway service under subsidiaries without any limitation on the number of those subsidiaries.

So, Mr. President, I close by commending the very able junior Senator from Vermont in withdrawing his motion.

Mr. NORRIS. Mr. President, I want to take the time of the Senate to read a short editorial which applies to the street-railway situation. I want to take occasion to commend the Senator from Wisconsin [Mr. BLAINE] and the Senator from Kansas [Mr. CAPPER] for their minority report in this matter. I read from an editorial appearing in the Washington News of April 30, 1932, entitled "The Figures' Lesson," as follows:

Quarterly reports on their earnings are being filed with the Public Utilities Commission by the corporation it regulates. In the beginning of the third year of the depression the Potomac Electric Power Co. reports net income for the quarter of \$1,256,264, or at the rate of \$5,000,000 annual profit.

Pepco's figures show a continuation of the annual increase of profit which has occurred now for several years. But the most interesting thing is that the street-car company which owns it, the Washington Railway & Electric Co., reports for the same quarter an almost identical decrease of profits. Pepco gained \$38,615 in net income for the quarter. Wreco lost \$38,847 in net income for the same quarter.

The power company has reduced rates annually and its profit has grown. The car company has increased rates and its profits have dwindled. And yet street-car executives can not read the lesson.

#### ST. LAWRENCE WATERWAYS TREATY

Mr. BORAH submitted the following resolution (S. Res. 278), which was referred to the Committee on Foreign Relations:

*Resolved*, That the Committee on Foreign Relations, or any duly authorized subcommittee thereof, is authorized and directed to make an investigation and to hold hearings with respect to matters touching the St. Lawrence waterways treaty between the United States and Canada. The committee shall report to the Senate as soon as practicable the results of its investigation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-second Congress until the final report is submitted, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. BORAH subsequently, from the Committee on Foreign Relations, to which the foregoing resolution was referred, reported it without amendment, and it was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. TOWNSEND subsequently said: Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably with an amendment Senate Resolution 278, and I ask unanimous consent for its immediate consideration.

There being no objection, the Senate proceeded to consider the resolution.

The amendment was, in the second paragraph of the resolution, after the words "which shall not exceed," to strike out "\$5,000" and insert "\$2,500."

The amendment was agreed to.

The resolution as amended was agreed to, as follows:

*Resolved*, That the Committee on Foreign Relations, or any duly authorized subcommittee thereof, is authorized and directed to make an investigation and to hold hearings with respect to matters touching the St. Lawrence waterways treaty between the United States and Canada. The committee shall report to the Senate as soon as practicable the results of its investigation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-second Congress until the final report is submitted, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$2,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

#### IMPROVEMENT OF THE COLUMBIA AND SNAKE RIVERS—HEARINGS

Mr. TOWNSEND. Out of order, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably Senate Resolution 256 and ask unanimous consent for its present consideration.

The VICE PRESIDENT. Let the resolution be reported for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 256) submitted by Mr. McNARY, Mr. STEIWER, and Mr. THOMAS of Idaho on June 28, 1932, as follows:

*Resolved*, That the Committee on Irrigation and Reclamation, or any duly authorized subcommittee thereof, is authorized to hold hearings during the recess between the first and second sessions of the Seventy-second Congress, at such times and places as it deems advisable, on the bills S. 4408, to provide for the



construction of work for the development of the Columbia River and minor tributaries, and for other purposes; and S. 2670, to provide for the improvement of the Columbia and Snake Rivers, Seventy-second Congress.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to employ such stenographic assistance as it deems advisable, but the cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses incurred pursuant to this resolution, which shall not exceed \$2,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. KING. Mr. President, the Senator is not asking for immediate consideration of the resolution, is he?

The VICE PRESIDENT. The Senator from Delaware asks unanimous consent for immediate consideration. Is there objection?

Mr. KING. Mr. President, I should like to ask the Senator from Oregon or the Senator from Delaware or whoever offered the resolution to advise me in regard to the purpose of the resolution?

Mr. McNARY. Mr. President, the resolution was submitted by the Senator from Idaho [Mr. THOMAS], my colleague the Senator from Oregon [Mr. STEIWER], and myself. It provides for hearings on bills affecting the Columbia and Snake Rivers in connection with the development of power and the selection of sites, surveys recently having been made. The idea is to have the Committee on Reclamation and Irrigation, having jurisdiction, to hold hearings by subcommittee along the river and to report back to Congress whether there are feasible sites.

Mr. KING. Does the Senator think it wise legislation?

Mr. McNARY. I do. The amount carried by the resolution has been reduced from the original sum of \$2,500 to \$1,500.

Mr. KING. Mr. President, I shall not object, but I invite the attention of the Senate to the fact that the President of the United States suggested some time ago—I think when he was running for the Presidency—a large appropriation of some \$500,000,000 for the development of the Columbia River. It looks as though we are embarking upon a plan to spend billions of dollars for development work—the St. Lawrence, the Columbia, and other rivers—when many of the projects ought to be carried forward by private capital instead of by the Federal Government.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution. The amendment of the Committee to Audit and Control the Contingent Expenses of the Senate was, on page 2, line 4, after the word "exceed," to strike out "\$2,500" and insert "\$1,500."

The amendment was agreed to.

The resolution as amended was agreed to.

#### WHEAT AND COTTON FOR THE RED CROSS

The VICE PRESIDENT. The question now is on the motion of the Senator from Washington to proceed to the consideration of a joint resolution, which will be read by title.

The CHIEF CLERK (reading):

A joint resolution (H. J. Res. 461) making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress.

Mr. JONES. Mr. President, I wish to make a brief statement with reference to the joint resolution. It has been passed by the House, and proposes to appropriate money to carry out the terms of a Senate joint resolution which was passed and signed by the President on the 5th day of July. Briefly, the joint resolution which was passed directed the Federal Farm Board to turn over to the Red Cross 45,000,000 bushels of wheat and 500,000 bales of cotton. The joint resolution for which I am now asking consideration is designed to carry out the provisions of the previous joint resolution by making the necessary appropriation. That is all there is to it.

Mr. McKELLAR. Mr. President, I move in line—

The VICE PRESIDENT. The motion to proceed to the consideration of the joint resolution has not been agreed to. The question is on that motion.

Mr. KING. Mr. President, I desire to make an observation in regard to this matter.

The VICE PRESIDENT. The motion is debatable.

Mr. KING. Mr. President, the Senator from Washington has just stated that the purpose of the joint resolution which he has asked the Senate to consider is to carry out what he assumes to be a pledge upon the part of the Congress, or at least on the part of the Senate, to appropriate a large sum of money.

Mr. JONES. Mr. President, it is to carry out the provisions of a joint resolution which has been passed by the Congress. It is to carry out the action not just by the Senate but of Congress as provided in a joint resolution signed by the President and now a law.

Mr. KING. I assumed that the Senator meant the joint resolution which was passed constituted a pledge on the part of the Congress to supplement it by an adequate appropriation in order that it might be carried into effect.

Mr. JONES. Mr. President—

Mr. KING. I yield to the Senator.

Mr. JONES. I want to say to the Senator that I do not consider it exactly as a pledge, so far as that is concerned, but the Congress contemplated our doing that. This joint resolution was reported to the House by the Appropriations Committee of the House, and was passed by the House. It proposes to carry out the provisions of the joint resolution which was recently enacted. Congress was convinced that we ought to furnish the Red Cross with 45,000,000 bushels of wheat and 500,000 bales of cotton in these difficult times.

Mr. KING. Mr. President, I believe that a majority of the Members of the Senate, and I think possibly a majority of the Members of the House, when they voted for the original joint resolution, which is the basis for the one now under consideration, understood that there was to be turned over by the Farm Board to the Red Cross substantially 50,000,000 bushels of wheat and 500,000 bales of cotton without cost to the Government; that is to say, without an appropriation being called for to be made now out of the Treasury of the United States. It was assumed—at least, that was my information—that wheat and cotton were available for distribution, or sale, as might be determined, by the Farm Board, if Congress itself should not superimpose itself upon the Farm Board and determine the policy which it should pursue with respect to the commodities referred to.

Mr. JONES. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield further to the Senator from Washington?

Mr. KING. I yield.

Mr. JONES. The original joint resolution came from another committee; it did not come from the Appropriations Committee. The other committee evidently knew about conditions affecting the wheat and cotton, because there were really three conditions imposed by that joint resolution that must be taken care of.

Mr. KING. May I say to my friend it is possible, and quite likely, the committee that carried on the investigation may have understood the facts, but I do not believe that a majority of the Members of the Senate understood, and, speaking for myself, I certainly did not understand that there were liens upon these two commodities of approximately \$40,000,000, and that we were to be asked to appropriate out of the Treasury of the United States forty or fifty million dollars in order to free the commodities that were to be distributed from the liens thus existing.

Mr. JONES. Mr. President, I do not remember about any extensive discussion, but I know in the original joint resolution there was an express provision that certain charges would have to be met out of the price that might come to the Government from the wheat which was held, and that

can not be gotten until these charges have been paid. I am satisfied that Congress understood the situation and understood what it was doing when it took this action. I am not going to occupy further time.

Mr. KING. Mr. President, I must express dissent from the position just taken by my friend from Washington. I did not understand, and I make the assertion again that I do not think the majority of the Members of the Senate understood, that we were to be called upon further to deplete the Treasury of the United States by taking from it \$50,000,000 in order to pay the debts that had been contracted by the Farm Board, notwithstanding the fact that they had gotten \$500,000,000 out of the Treasury of the United States.

#### HOME-LOAN BANKS—CONFERENCE REPORT

Mr. NORBECK. Mr. President, will the Senator from Utah yield to me? I desire to present a conference report to which I think there will be no objection.

The VICE PRESIDENT. Does the Senator from Utah yield for that purpose?

Mr. KING. I yield for that purpose, with the understanding that I do not lose the floor.

The VICE PRESIDENT. The report presented by the Senator from South Dakota is privileged and the Senator from Utah will not lose the floor.

Mr. NORBECK. I present a conference report on House bill 12280 and ask for its present consideration.

The VICE PRESIDENT. The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12280) to create Federal home-loan banks, to provide for the supervision thereof, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 3, 6, 7, 9, 11, 12, 13, 17, 18, 21, 24, 25, 27, 35, 38, 39, 40, and 42.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 5, 8, 14, 16, 19, 20, 26, 28, 29, 30, 31, 34, 36, 37, 43, and 44, and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "insurance company, or"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert a comma and the following: "or, in case there is a lawful contract rate of interest applicable to such transactions, in excess of such rate (regardless of any exemption from usury laws), or, in case there is no legal rate of interest or lawful contract rate of interest applicable to such transactions, in excess of 8 per cent per annum and a comma"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Provided, That accumulated dividends, as provided in subsection (k), have been paid"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert "but in any case in which the rate of dividend is in excess of 2 per cent, the stock subscribed for by the United States shall be entitled to dividends at a rate not in excess of that paid on other stock"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered

32, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "its advances" and a comma; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "The notes, debentures, and bonds issued by any bank, with unearned coupons attached, shall be accepted at par by such bank in payment of or as a credit against the obligation of any home-owner debtor of such bank"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert "\$300,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert a comma and the following: "except a national bank, trust company, or other banking organization" and a comma; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 46 and 47.

PETER NORBECK, \*

JAMES E. WATSON,

DUNCAN U. FLETCHER,

*Managers on the part of the Senate.*

HENRY B. STEAGALL,

W. F. STEVENSON,

T. ALAN GOLDSBOROUGH,

L. T. MCFADDEN,

ROBERT LUCE,

*Managers on the part of the House.*

Mr. NORBECK. I move the adoption of the conference report. If that be done, I shall move that the Senate insist on its amendments in disagreement, ask for a further conference with the House, and that the Chair appoint the conferees.

The VICE PRESIDENT. The question is on agreeing to the conference report, and the motion is debatable.

Mr. COUZENS. Mr. President, may I ask the Senator from South Dakota what are amendments 46 and 47?

Mr. NORBECK. Amendment numbered 46 is the so-called Borah amendment, and amendment numbered 47 is a minor amendment, the last one on the page; I have forgotten for the moment just what it is. There is another one as to the meaning of which there seems to be a misunderstanding. Therefore, I desire to move that the Senate further insist upon its amendments.

Mr. COUZENS. If we shall agree to the conference report, will that mean that all the differences are settled with the exception of amendments numbered 46 and 47?

Mr. NORBECK. No; I would not say that; but they would be settled except for those and one other.

Mr. COUZENS. Those and one other. I should like to know what the other is.

Mr. NORBECK. The other has reference to the rate of interest that may be charged. It is the so-called usury amendment. It does not seem to be in good form; there seems to have been a mistake in writing it. So it should go back to conference for that reason.

Mr. COUZENS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. COUZENS. I understand if we agree to the motion of the Senator from South Dakota that we accept the action of the House and Senate conferees with the exceptions indicated?

Mr. NORBECK. No; the motion is not in that way. The motion is that we disagree. I will say, for the information



of the Senator from Michigan, that the conferees have reached an understanding; and I know what they will do except on these three amendments.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Chair will state that the first question is upon the motion to agree to the conference report. Then the motion of the Senator from South Dakota that the Senate further insist upon its amendments will be in order.

Mr. KING. Mr. President, will the Senator yield; and may I also have the attention of the assistant leader on the other side, the Senator from Oregon [Mr. McNARY]? Is it intended to take a recess until to-morrow morning?

Mr. McNARY. Mr. President, this matter should be disposed of, I assume, first. I do not know how long the Senator from Washington wants to go on with his measure. It is a little bit too early to promise right at this time.

Mr. KING. If the Senator will yield further, the point I had in mind was this:

There are a large number of amendments which have been suggested by the conferees, or at least are the result of the conference, with many of which, speaking for myself, I am not familiar. I am quite sure that many of the Senators are not familiar with them. If the matter has to go back to conference, it seems to me that there should be no haste in our agreeing upon the report as submitted.

It occurs to me that if the report as submitted could be printed, and the conferees could continue their activities and try to reach an agreement upon the two or three or four controversial matters, we could to-morrow morning, in one bite of the cherry—if I may use the language of the street—dispose of the entire question; and we certainly could do so, speaking for myself, in a very short time.

Mr. NORBECK. Mr. President, the Senator knows how many Senators are going to read the report to-morrow morning. In other words, Senators are in no frame of mind to go into the matter any further. This subject has been before the Senate for months and months. The Senators are pretty familiar with it, and I do not think many Senators will pay any attention to the printed report just now.

Mr. KING. I understand that a number of very important changes have been made. First, I understand that there have been revived in the bill some of the provisions that were in the original bill, namely, the 12 banks or at least 8 regional banks, striking out the provision for 4 banks which appeared in the bill as it finally passed the Senate.

Mr. NORBECK. The other conferees, I think, will bear me out in the statement—I am quite sure I am right—that the bill simply provides for four banks, but makes it possible to establish more. It does not start out with a large number of banks, as the original bill did. The appropriation proposed in the original bill was \$500,000, and in this one it is \$300,000.

Mr. FLETCHER. Mr. President—

Mr. NORBECK. The Senator from Florida can answer that question better than I can.

Mr. FLETCHER. May I say to the Senator, in reference to the matter of printing, that the bill has been printed showing all the amendments that were put on in the Senate. The bill has been printed, and the amendments themselves have been set out; so that I do not think we need to have any reprint.

Mr. KING. I do not ask for a reprint, but so that we can have an opportunity of understanding just what the conferees have done. As I listened to the reading of the report just now, it indicated that a large number of amendments had been made, that the Senate had receded from a large number of amendments, and that a large number of provisions had been agreed upon by the conferees as attachments to the House provisions or to the Senate provisions. One could not tell, from reading the report, whether the bill had been transformed or changed in its essential parts, or whether they were mere minor amendments which had been agreed upon.

I do not like to vote for this conference report in the dark; and if the Senator insists upon a vote now, I shall, of

course, have to vote against the conference report, although if I understood it, or if proper explanations were made, with opportunity to examine the numerous changes which have been made, I might be very glad to accept the report.

Mr. NORBECK. Let me say to the Senator that I feel that the motion really should be to disagree to the conference report, and send it back to conference. If that is what the Senator from Utah wants we will accommodate him, and I will make the motion in that way.

Mr. KING. I have not said that.

Mr. COUZENS. Mr. President, a parliamentary inquiry. Do I understand that the Senator from South Dakota has now changed his motion?

Mr. NORBECK. No. It may be subject to a different interpretation, but this is the motion I was going to make—

The VICE PRESIDENT. The question would be on agreeing to the report; but, of course, if Senators are opposed to it, the motion could be voted down.

Mr. NORBECK. Mr. President, a parliamentary inquiry. As I understand, if the report is rejected, all the matters that were previously in conference will be in conference now. Is that right?

The VICE PRESIDENT. That is correct.

Mr. NORBECK. All right.

Mr. KING. I hope the Senator will move to disagree to the report, and send the bill back.

Mr. NORBECK. I make the motion in that way.

Mr. MOSES. Mr. President, the simple thing is to agree to what has already emerged from the conferees, and then to send the disputed items back to another conference.

Mr. COUZENS. That is just what I do not want.

Mr. NORBECK. I will say to the Senator from New Hampshire that there is an error in the report that should be corrected, and I know of no other way to keep the matter within the jurisdiction of the conference committee than to reject the report.

Mr. COUZENS. Mr. President, as I understand, the motion of the Senator from South Dakota is that the entire report be disagreed to and sent back to conference. If that is the motion, I shall not object; but if the Senator's motion is to agree upon the report as made, with the exceptions, then I shall desire to discuss it for some time.

The VICE PRESIDENT. The Chair will state that the proper way to put the question is to submit the motion to agree to the conference report. That, of course, could be voted down if the chairman of the committee desires, or if a majority of the Senate feels the same way.

The question is on agreeing to the conference report.

Mr. COUZENS obtained the floor.

Mr. BINGHAM. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BINGHAM. Is it not in order to move to disagree?

The VICE PRESIDENT. The Chair thinks not.

Mr. BINGHAM. In the rules it is stated that a motion to amend an amendment may be made before the motion to agree or disagree.

The VICE PRESIDENT. This is not an amendment. This is a conference report, which must be voted up or voted down.

Mr. BINGHAM. I was referring to the phase in the rules, which uses the word "disagree."

The VICE PRESIDENT. The question is, Shall the conference report be adopted or rejected? The question raised by the Senator from Connecticut applies to amendments. This, however, is a full report.

The question is on agreeing to the conference report.

Mr. COUZENS rose.

Mr. FLETCHER. I understand that the chairman of the committee asks that the report be rejected, so there is no need to discuss it.

Mr. COUZENS. If the Senator from South Dakota will ask that the report be rejected and sent back to conference, I will not take any of the Senate's time.

The VICE PRESIDENT. The Senator has asked that that be done.

Mr. NORBECK. That is my request; and we can bring that about by voting "no" when the question is put.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was rejected.

Mr. NORBECK. I ask that the Senate further insist upon its amendments to the House bill and request a further conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The VICE PRESIDENT. The question is on the motion of the Senator from South Dakota.

The motion was agreed to; and the Vice President appointed Mr. NORBECK, Mr. WATSON, and Mr. FLETCHER conferees on the part of the Senate at the further conference with the House.

#### MOTION TO DISCHARGE A COMMITTEE

Mr. BULKLEY submitted a motion, which was read, as follows:

Pursuant to the provisions of rule 40 of the Standing Rules of the Senate, I hereby give notice of my intention to move hereafter to suspend paragraph 2 of rule 26 of the Standing Rules for the purpose of making in order the following motions:

A motion to proceed to the consideration of the motion heretofore entered by the Senator from New York [Mr. WAGNER] to discharge the Committee on the Judiciary from the further consideration of the joint resolution (S. J. Res. 90) proposing an amendment to the Constitution of the United States repealing the eighteenth amendment thereto.

A motion, in the event the prior motion is agreed to, to proceed immediately to the consideration of the said joint resolution.

#### WHEAT AND COTTON FOR AMERICAN RED CROSS

The VICE PRESIDENT. The question now is on the motion of the Senator from Washington [Mr. JONES] that the Senate proceed to the consideration of House Joint Resolution 461, making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress.

Mr. KING obtained the floor.

Mr. JONES. Mr. President, I suggest to the Senator that we might have the question put on the question of proceeding to the consideration of the joint resolution.

Mr. KING. Yes.

Mr. JONES. I understand that the Senator will probably take only 10 minutes or so to-morrow morning.

Mr. KING. A very short time; not exceeding a half hour.

Mr. JONES. If that will save time, I will agree to that.

The VICE PRESIDENT. The question is on the motion of the Senator from Washington.

The motion was agreed to; and the Senate proceeded to consider the joint resolution, which was read, as follows:

*Resolved, etc.,* That to enable the Federal Farm Board to carry into effect the provisions of the public resolution entitled "Joint resolution authorizing the distribution of Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress," approved July 5, 1932, such sums as may be necessary during the fiscal year ending June 30, 1933, are hereby appropriated, out of any money in the Treasury not otherwise appropriated, to be used only for the purposes specified in subdivisions (a), (b), and (c) of section 3 of such public resolution.

Mr. McKELLAR. Mr. President, in order to perfect the joint resolution, I move, on page 1, line 8, after the numerals "1932," to strike out "such sums as may be necessary during the fiscal year ending June 30, 1933, are" and to insert "not to exceed \$40,000,000 is."

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 1, lines 8 and 9, it is proposed to strike out "such sums as may be necessary during the fiscal year ending June 30, 1933, are" and to insert "not to exceed \$40,000,000 is."

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. JONES. Mr. President, while I much prefer that the amendment be not put on, under the circumstances, as I understand there will be very determined opposition unless we reach some conclusion like that, and it is very important that this measure should be gotten through just as soon as possible, I will not insist upon the objection.

Mr. KING. That does not preclude offering a substitute after it is perfected?

Mr. JONES. Certainly not.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Tennessee.

The amendment was agreed to.

The CHIEF CLERK. On page 2, line 3, it is proposed to strike out "(b)."

Mr. JONES. I make the same statement with reference to that.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McKELLAR. Now I offer a third amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 2, at the end of line 3, after the word "resolution" and before the period, it is proposed to insert a colon and the following:

*Provided, That the equity provided for under subdivision (b) of the public resolution approved July 5, 1932, shall not be paid for out of said appropriation, and any balance remaining after paying the amounts authorized to be paid under subdivisions (a) and (c) of said resolution shall not be used by the Federal Farm Board, but shall remain in the Treasury of the United States: And provided further, That the Federal Farm Board shall make a full and complete accounting of its acts and doings under this resolution and file the same with the Secretary of the Senate and the Clerk of the House of Representatives on or before December 8, 1932.*

Mr. JONES. I make the statement with reference to that amendment. I should much prefer that it be not adopted; but, under the circumstances, I will not resist it.

Mr. KING. Mr. President, will the Senator yield?

Mr. McKELLAR. Yes; I yield.

Mr. KING. I ask the Senator to advise me if I am in error that this amendment means that the Farm Board will get no part of this \$40,000,000; that whatever is required to pay the liens upon the cotton and upon the wheat will be taken from the \$40,000,000, and if there is any residue it shall go into the Treasury, and not go into the pockets of the Farm Board to be squandered and wasted by it as it has squandered and wasted so much of the \$500,000,000 heretofore appropriated to it.

Mr. McKELLAR. As I understand, the Senator has stated the matter with accuracy.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Tennessee.

The amendment was agreed to.

Mr. KING. Mr. President, I offer a substitute, which I ask to have lie on the table.

The VICE PRESIDENT. The clerk will read.

The Chief Clerk read as follows:

Amendment proposed by Mr. KING to the joint resolution (H. J. Res. 461) making appropriations to enable the Federal Farm Board to distribute Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress, viz: Strike out all after the resolving clause and insert in lieu thereof the following:

"That to enable the Federal Farm Board to carry into effect the provisions of the public resolution entitled 'Joint resolution authorizing the distribution of Government-owned wheat and cotton to the American National Red Cross and other organizations for relief of distress,' approved July 5, 1932, such sums as may be necessary during the fiscal year ending June 30, 1933, are hereby appropriated, out of any money in the Treasury not otherwise appropriated, to be used only for (1) meeting carrying and handling charges and interest payment on commercial or intermediate credit bank loans on or against 30,000,000 bushels of wheat and 400,000 bales of cotton released for donation under the provisions of such public resolution between the date of its approval and the delivery of the wheat or cotton to the American National Red Cross or other organization, and (2) making advances under subdivision (a) of section 3 of such public resolution with respect to such wheat and cotton released: *Provided, That the total amount expended pursuant to this resolution shall not exceed \$30,000,000.*

"Sec. 2. (a) The Federal Farm Board shall be composed of three members to be appointed by the President, by and with the advice and consent of the Senate and of the Secretary of Agriculture, ex officio. Such appointments shall be made as soon as practicable after the date of the enactment of this resolution, but not later than October 1, 1932.



"(b) Terms of office of the first members appointed under this section shall expire, as designated by the President at the time of nomination, one at the end of one year, one at the end of two years, and one at the end of three years after the date of enactment of this resolution. The term of office of a successor to any such member shall expire three years from the time of the expiration of the term for which his predecessor was appointed, except that a member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term. The members appointed hereunder shall hold office until their successors are appointed and qualify.

"(c) Notwithstanding the provisions of subsection (a) the Federal Farm Board as constituted upon the date of the enactment of this resolution shall continue to function until all of the members appointed as provided in such subsection have taken office and no such member shall be paid a salary, as such member, for any period prior to such time.

"(d) This section shall be held to reorganize the board and, except as herein modified, all laws relating to such board shall remain in full force and effect, and no regulations, actions, investigations, or other proceedings under any such laws existing or pending on the date of the enactment of this resolution shall abate or otherwise be affected by reason of the provisions of this section."

Mr. JONES. Mr. President, as I stated a while ago, the Senator from Utah assures me that he wants to take just a short time in the morning, not over half an hour, and then we will have a vote on the amendment. So I am perfectly willing that the joint resolution shall go over until tomorrow morning.

#### PURCHASES OF TWINE BY THE GOVERNMENT

Mr. BYRNES. Mr. President, I desire to make just a short statement.

Yesterday the senior Senator from Pennsylvania [Mr. REED] stated that after reading a letter from the Postmaster General to the chairman of the Committee on Appropriations he was satisfied that the Postmaster General was correct in the construction placed by the department upon the section in the post-office appropriation bill providing that preference be given to domestically produced commodities. At that time I stated that the Senator from Pennsylvania had not objected to the amendment of the Committee on Appropriations. Upon looking at the record I find that the Postmaster General was correct in stating that the Senator from Pennsylvania had made such objection, and, in justice to the Senator from Pennsylvania and the Postmaster General, I wanted to make this statement.

#### CONSERVATION

Mr. NYE. Mr. President, it was my favor a few days ago—on June 25—to attend a meeting at the Cosmos Club in this city attended by many interested in conservation. At the meeting addresses were made by the senior Senator from Nebraska [Mr. NORRIS], the senior Senator from Wisconsin [Mr. LA FOLLETTE], the majority leader in the House of Representatives, Representative RAINEY, of Illinois, and others. The addresses, containing material of historical value and significance, have not been printed in any newspaper or magazine. They are nonpartisan and nonpolitical in character. I ask unanimous consent that the remarks made at that time be printed in the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

#### MR. BASIL MANLY, TOASTMASTER

Ladies and gentlemen, we who are friends of Harry Slattery have met here this evening for the rather unique purpose of honoring a man who has never sought or held public office and who has avoided publicity, as far as it was possible for him to do so, throughout his career.

I am not quite sure why I was chosen to act as director of ceremonies, except perhaps because of the fact that I have known Harry Slattery longer than anyone else here and longer than almost anyone else living; but I like him and love him just the same.

I might reveal a heretofore unrevealed secret, that Harry and I were born just across the street from each other in the little town of Greenville, S. C. One of my earliest memories of Harry is playing cards with him in Grady Jordan's barn. We were raised in a very pious atmosphere, and it was necessary to go up in the loft of the barn to pursue such pastimes.

It was 25 years ago when Harry came to Washington and began taking part in the affairs of Washington and the affairs of the Nation. That was during the administration of Theodore Roosevelt. The forests of the country at that time were about to

become the prey of the great lumber interests. The conservation movement developed during that period and gained the impetus which has carried it on ever since. Even at that early date Harry was an important factor in that movement, and he has become an increasingly important factor during the succeeding years.

The Taft administration brought a continuation of the struggle over the Nation's natural resources. The Ballinger case and the great fight to withdraw the naval oil reserves from further exploitation developed, and in that struggle likewise Harry played his part.

The Wilson administration came into office March 4, 1913. This, I believe, is not generally known, but one of the most important episodes of that period, which made possible some of the achievements of the first part of the Wilson administration, was the exposure of the lobbies which were then operating in Washington. The President made public a statement in which those lobbyists were denounced. He was called upon to furnish specifications and was not in a position to do so immediately. But a man came to his rescue—a very young man at that time—and put into his hands the basic information which resulted in uncovering the lobby of the National Association of Manufacturers and a host of other lobbies which were operating at that time. That young man was Harry Slattery.

Without going into all of the details down through the years, but touching upon some of the high spots of which I have personal knowledge, I want to speak particularly of the fight that resulted in saving the naval oil reserves and in exposing those who had succeeded in taking them from the Government.

The first public attack upon the naval oil leases was made by Harry Slattery at a dinner very much like this held in the Ebbitt Hotel on March 10, 1922. Following that came official exposure on the floor of the Senate, about which something may be said later in the evening.

And so it went down through all these years. Mr. Slattery has been the real protector, the real watchdog of the public domain, of the natural power resources, and of our human resources. I think we might well rise and drink a toast to Harry Slattery.

Whereupon the assembly rose and drank a toast to Mr. Slattery. There is a Biblical quotation that "He who is greatest among you, let him be the servant of all." That has been the practice of one of the great men who is with us this evening, a man who has insisted upon taking a place at the foot of the table. He can not completely hide himself from us, because I am going to call upon him to respond to the toast, "The preservation of our natural resources," Senator NORRIS. [Great applause.]

#### HON. GEORGE W. NORRIS, SENATOR FROM NEBRASKA

Senator NORRIS. Mr. Chairman, I do not believe that one could respond to the toast that the chairman has propounded to me and do it properly without somewhere paying tribute to Harry Slattery.

All of those who have been connected with the preservation of the natural resources of the United States during the last several years, in various ways and various forms and on various occasions—if they have gone into a very thorough study and into the history of the great fight that has been waged for many years to preserve our God-given resources and keep them from exploitation—I say that any citizen who goes into that thoroughly will run into the tracks of Harry Slattery somewhere along the line.

There are men engaged in public service in which it is necessary to have some one with ability, with steadfastness, and with the purest of motives, and who has to do a great deal of work the public never sees. That work will find its place in the great book, upon the page whereon the names of those will be written who are behind such fights in behalf of the people, though the individual does not become generally known as doing the work among the people themselves. Such a man is Harry Slattery.

I was somewhat surprised that the chairman, in his narration, indicated that Harry was a comparatively young man. I came here when I was a young man, and Harry was an old man then. I figure that the only reason why the chairman made that unjust charge was because he had said that he and Harry were born about the same time.

We have almost forgotten the Ballinger investigation. In fact, Mr. Chairman, I had not thought of it for years until I heard you mention it, but it was a wonderful contest; it was a battle for a principle that ought to be sacred to every lover of human liberty and everyone who is anxious to retain the foundation stones on which our Government is built; and Harry Slattery had a great deal to do with it.

I do not suppose that there is a person present who knows, either, that I had anything to do with it; but it is as straight in my mind as though it happened to-night, although I had not thought of it for a long time. The Ballinger work had become so well known that it was really a stench in the nostrils of the people, and an investigation was demanded, and it became apparent that it had to be made in response to the demands of the people, the indignant people of the country, who had become aroused at what was going on.

In those days the Senate and House were both controlled by machines that were riveted by a steel fence that was so tight that nobody thought there was any way to get through. And so this great political machine, realizing that the people were becoming indignant and that something had to be done, decided that they would investigate the Ballinger matter and, of course, there would be a whitewash. The concurrent resolution was introduced, providing for the appointment of a commission to make this investigation, and they appointed a large commission. There



were 10 men to be on the commission, 5 to be appointed by the President of the Senate and 5 by the Speaker of the House of Representatives. There used to be, in those days, as you all know—and still is—harmony on occasions when it is necessary between great political machines. Often there is not any difference between them; they drink out of the same canteen and they are supplied from the same source to get enough oil to keep the machine properly lubricated. It was that way then.

The Republicans, however, had a Vice President whose name was Sherman, of New York, and in the House of Representatives was Speaker Cannon, another man just like him. So this resolution passed the Senate. In those days, so complete was the control of the machine that the newspapermen announced in the morning what the House and Senate would do in the afternoon, and in the morning paper it was announced that this resolution, which had already passed the Senate, would come up in the House and that, immediately after the reading of the Journal, Judge Dalzell, of Pennsylvania, would introduce a special rule, which would provide for the passage of the resolution. Everybody knew it would happen just that way and all of us fellows who were Members of the House, realizing that the master had spoken, did not expect anything else to happen. True to the report, after reading the Journal, Mr. Dalzell arose in his place and introduced the report from the Committee on Rules, which as you know had then, and still has, special privileges, and it was taken up by agreement between Champ Clark, the Democratic leader, and Cannon, the Republican leader, and they agreed, by unanimous consent, to have general debate of three hours on a side, and that anyone who spoke had a right to make a motion to amend, and that all such motions should be voted on at the close of the debate.

Well, I did not know the details about Ballinger and all of this material which Harry Slattery had worked up, but I was satisfied there was something in it and I knew, as everybody else knew, that there was a job on hand to whitewash Ballinger. That was generally known and in the debate it was charged. The Democrats ranted up and down the aisle and told what a terrible thing this committee was going to do—that it was going to whitewash this man; but it did not occur to them that they had a chance to amend. In those days we had in the House of Representatives a well-organized body of insurgents. We used to meet every night and talk over what we were going to do the next day. When that agreement was made, it entered my mind that here might be a good opportunity to have a real investigation instead of a whitewash; and so I determined to make a speech. To speak, you had to get the consent of the leader to yield to you some time, and with me it was a pretty difficult task with Dalzell. But next on the Committee on Rules, the ranking Republican, was Mr. Smith, of Council Bluffs, Iowa, who was a very warm personal friend of mine; and immediately after the debate started, Mr. Dalzell went down to get his lunch and, of course, he had delegated the next man until he came back.

I went over and sat in the Cherokee strip on the Democratic side, and said to Smith, "How about getting some time?" and he said, "All right, George, I will give you some time," and said, "How much do you want?" "Two minutes," I said. He said, "When do you want it?" And I said, "I want it as soon as I can get it." I was afraid Dalzell would get through with his lunch and get back. He said, "There is a Democrat over there talking now, but he is about through, and I will give you some time as soon as he finishes."

I had not got back to my seat until Smith said, "I yield two minutes to the gentleman from Nebraska."

I was innocent of trying to accomplish anything great, but I just knew it was a job; I just knew it was a whitewash, and that the whitewash had all been mixed up and it was going to be nothing but a whitewash job. I did not use up my two minutes. All I said was that it was generally believed and generally understood that this committee was going to whitewash Ballinger, and that I was perfectly satisfied that if the Speaker appointed the committee it would whitewash Ballinger; and I said, "Therefore, I move to amend this resolution by striking out 'appointed by the Speaker' and insert in lieu thereof 'elected by the House,'" and immediately the cap went off of the jug and consternation reigned and everybody was excited.

During the balance of the debate, which lasted until 6 o'clock, there was a scurrying around and they were getting their forces together on that amendment, and with a solid Democratic front and a solid insurgent front we adopted the amendment, and that is why there was a real Ballinger investigation. [Applause.]

We had a meeting, I remember. The insurgents met that night down on Massachusetts Avenue to decide what action we could take about the election of that committee. We did not want to be hogish, but we wanted to name one, and the Republican membership could name two, but we insisted that certain men's names should not be on that committee, and we mentioned those who were thought to be objectionable and asked the Democrats if they would stay with us on it, and if they would, we would carry the proposition through.

I will now say that I had the honor of having tendered to me the unanimous wish of that group of insurgents that I should be a member of that committee. In the first place, I did not know much about it; and in the next place, I did not want to see myself liable to the charge of having obtained personal gain out of it, and I declined it. We selected as chairman of that committee Judge Madison, of Kansas, one of the ablest and most steadfast men of his time. If he had lived, he would have been one of the leaders in American history. He was an able attorney.

The Democrats named two good men. The Republicans were confined in their selection to a small number, on account of the exceptions we had drawn; and because there was one man there who was really determined to make an investigation, there was not anybody else on the committee that dared hesitate, and the majority of that committee went forward as one, with one of the most complete and thorough investigations that ever was made.

A man who now adorns the Supreme Court bench, Justice Brandeis, was the attorney who conducted the investigation, and managed it from beginning to end; and there was another instance, my friends, of what our friend Harry Slattery had done. He had done valuable work.

You people have given him credit; but I presume the generation that has grown up since then does not have knowledge of it, and that they do not even have knowledge of the trick I played in it; but without such a man to back us up, without such a man to furnish evidence and information and documents, lots of times it would have been physically impossible for us to get results. Without such a man, those who have tried to fight the people's causes in the last 10 years—without such a man, I repeat, we would nearly always have failed. Yet I often think that, even in failing, we win success that we do not at the time appreciate.

After all, this contest that I have mentioned, the Teapot Dome contest, and most any other contest that we have had, involves one fundamental principle that is the same down to the bottom, even, with the same principle involved that has been involved since the dawn of civilization, and that is a battle between monopoly and entrenched wealth against the common people of the country.

So I think you do well in honoring our friend, Harry Slattery, for the invaluable assistance that he has given to all. [Applause.]

TOASTMASTER. One of those who has played a part in the protection of natural power resources, Representative PHILIP SWING, of California, was unable to be here, but he has sent a letter which I would like to read:

"I recognize the fine, unselfish public service that Harry Slattery has rendered the people in his private capacity without the compensation of either pay or glory.

"In his quiet and unassuming way he has made tremendous contributions to every important fight for the people that has had Washington as its battle ground.

"I am particularly appreciative of the splendid work he did in connection with Boulder Dam in organizing the National Boulder Dam Association and throwing into this great project the power and influence of the progressives in every part of the country.

"I trust that in his heart there is an abiding satisfaction of a good work well done, because, in the end, those who keep the faith seldom win any other reward."

The natural resources have been a battle ground since the beginning of this country; its forests, its preserves of oil and coal have been constantly attacked by those who wish to exploit them. There is one here who can speak of his own knowledge of the long fight to preserve the national oil reserves and to protect the forests from exploitation. I therefore offer the toast, "To the protection of our public domain," and ask Senator LA FOLLETTE to speak to us.

HON. ROBERT M. LA FOLLETTE, JR., SENATOR FROM WISCONSIN

Senator LA FOLLETTE. Mr. Toastmaster, men and women who have come here to-night to honor Harry Slattery, I am one of the generation that has grown up recently; but I remember the Ballinger investigation. While that investigation was in progress, Justice Brandeis, who was at that time conducting the prosecution, used to come very often to our house, and in discussing the details of that case and its procedure from day to day in the committee there was no name more frequently mentioned than that of Harry Slattery. During the years that followed, whenever there was a question in Congress affecting the natural resources of the Nation, whether it be with relation to the forests or to the water power or to coal or to oil, there was no one to whom my father turned more frequently, when those contests arose, than to Harry Slattery.

Much has been said of Harry's modesty and retiring disposition, to which I subscribe; but I would not wish this record to carry the implication that Mr. Slattery is not persistent, nor that he has not that determination and that courage which go to make up a great character—a great leader. Harry, it is true, has been retiring; it is true that he has been modest in the sense of ever having his name mentioned in connection with the legislative battles which have been fought over this great broad question of conservation; but Harry has had that perseverance, that persistence, that courage, that ability to stand up and fight until the last man had gone down, which has made possible the successful struggle that has been waged through all these years.

Perhaps I know most about the fight over the naval oil reserves, and perhaps I may speak more from my own personal knowledge with reference to that great episode in our recent history. It was Harry Slattery who first called attention to the transfer of the naval oil reserves from the Navy Department to the Department of the Interior. It was he who first brought that transfer to the attention of my father. And in order that there may be on this record made here to-night a part of the written history of that period, I wish to read a letter which my father wrote to Admiral Griffin and to Josephus Daniels, dated April 19, 1922, in which he says:

"Mr. Harry Slattery, the gentleman who bears this letter, I believe you already know. I have the greatest confidence in him and have entrusted to him the investigation of the present situation for me. This has been necessary because I am completely



tied down with work in connection with the tariff bill. I will regard it as a favor if you will talk as freely to Mr. Slattery as you would to me were I able to see you. I might say in closing that I do not intend to see these naval reserves despoiled for the benefit of private individuals and corporations without a vigorous protest being made upon the floor of the Senate."

It is a matter of history that as a result of that preliminary investigation my father introduced a resolution which called for an investigation by the Public Lands Committee of the naval oil leases, which finally resulted in their being restored to the public from whom they had been despoiled.

It was not, however, only by means of a private letter that he made acknowledgment to Harry Slattery. On the floor of the Senate on April 28, 1922, he had this to say:

"Harry A. Slattery, I know, has contributed in no small measure to the development of this case. For many years as secretary of the National Conservation Association, and later as a practicing attorney, Mr. Slattery has been a veritable watchdog of the Nation's resources. In every contest over these resources he has been on the people's side, ready to give his time without compensation and devote his knowledge of these questions to the public service. On more than one occasion during the long fight that has been made on this floor to protect the Nation's water power, its timber, its ores, and its oil from ruthless exploitation I have called for Mr. Slattery's assistance. I never found him wanting."

To-day we face probably the most complex problems which have ever presented themselves for solution in the history of this democracy. I, for one, draw courage from the fact that we have men like Harry Slattery to support us in making the efforts which we must make to meet and solve these questions, and while I know that the Senator from Nebraska made his reference to the age of Mr. Slattery as a facetious remark I wish to say that it is a matter of inspiration and encouragement to me to feel that Harry Slattery will be here fighting these battles for the next 25 years as he has fought them during the last 25 years. [Applause.]

I do not know any greater tribute that I could pay to him to-night than that which I have heard my father pay to him, and one which he reserved for few men, namely, that Harry Slattery is the kind of man he would like to go tiger hunting with in the dark—because you can always reach out and be sure he is there. [Applause.]

TOASTMASTER. Many of Mr. Slattery's friends who would delight to join with us are absent at the convention in Chicago. It was necessary to confine the speaking program to those who were certain to be in the city, but the occasion would not be complete without hearing a message from one who has known Mr. Slattery over the whole span of his career—Representative HENRY T. RAINY, the majority leader of the House.

HON. HENRY T. RAINY, REPRESENTATIVE FROM ILLINOIS, MAJORITY LEADER OF THE HOUSE OF REPRESENTATIVES

MR. RAINY. I have been closely associated with Mr. Slattery for over a quarter of a century of time. Soon after I came to Congress, 30 years ago, I saw a private corporation organized in Hamilton, Ill., and Keokuk, Iowa, by unanimous consent awarded a franchise to dam the Mississippi River at Keokuk. I was a new Member then and did not realize what it was all about. At that time any corporation desiring permission to build a dam for water-power purposes, wherever there was a declivity in any river, succeeded in getting by unanimous consent a bill passed through the House and the Senate for that purpose.

Along about 1908 or 1909 I announced on the floor of the House that no more bills to grant franchises for this purpose would pass the House by unanimous consent. From that time on until the Wilson administration commenced I was on the floor always objecting to requests for unanimous consent and during this period of time I made many speeches on the floor, always using material furnished me by Mr. Slattery.

At any time I was permitted by him to call him over the telephone. Whenever I wanted to answer a speech on this subject he always responded with data and information, and if I needed it at once he brought it in person to me and had it delivered to me on the floor of the House. I made many enemies among Members during this period of time, but I was able to meet in debate all comers and I was able to do it because I had back of me always Mr. Slattery.

The statement I made on the floor of the House announcing that no more unanimous consent in these matters would be granted really commenced the fight against the rapidly developing Water Power Trust. During the second year of the Wilson administration the President sent for me. I met him in his private apartments and he told me of a great many organizations which were anxious to commence the development of river projects and complained that I was holding it up and he asked me what could be done about it. I went over the matter with the President and he agreed that I was right about it. He asked me if I would be willing to participate as a member of a committee which he might select to frame a water power bill. I agreed, and he appointed the committee. This committee met daily for a long period of time. As I remember it, we met for some weeks almost daily in Secretary Lane's office and the result was the water power bill which we prepared.

During all the period of our meetings I was in touch with Mr. Slattery, getting his advice and his suggestions. We drafted the bill and delivered it to the chairmen of the committees having jurisdiction of the subject matter in both the House and the Senate, and it was introduced. The bill as it finally passed the

House and Senate was different in many respects from the bill we drafted and I have always thought the bill we drafted was a better bill.

Prior to the Wilson administration and to the drafting of the bill the debate grew particularly animated on the floor of the House on account of the fact that I made charges on the floor which a Member of Congress from Tennessee, now deceased, interpreted as reflecting upon him. I charged that one Member at least was receiving compensation from the Aluminum Trust of America for his services in obtaining these franchises. Finally, in order to settle the matter, Congress adjourned one morning until 10 o'clock the next morning and I was given one hour to prove my charges against the Tennessee Member and he was given one hour to disprove them. I succeeded in proving my charges. I showed that he received considerable sums of money from the Aluminum Co. of America, which he was compelled to admit, but he claimed that he lost it all afterwards on account of having signed as surety some note given by some representative of the Water Power Trust.

I know of no living man who has rendered more service—and more effective service—for the public interest in the fight against the Water Power Trust than Harry Slattery. He has at all times kept modestly in the background and no one but his most intimate friends know the extent of his services nor the value of them.

TOASTMASTER. I am sure that everyone will agree with me that an important factor in the public service are those engaged in newspaper work in Washington, for whom Harry Slattery has always served as an inspiration and inexhaustible source of facts. I offer a toast to the "Preservation of a free and effective press," and ask Mr. Gilson Gardner to respond to it.

MR. GILSON GARDNER

MR. GARDNER. Mr. Chairman, and men and women who are friends of Mr. Slattery, as a friend of almost each and every one of those present, I am appearing in this case rather in the capacity of a has-been and I may, therefore, perhaps be pardoned if I associate myself with Mr. Slattery to the extent of saying that I played a part, with Senator NORRIS, in the original Ballinger case.

Our organization, perhaps not through direct bribery and corruption, but by some means, secured a confession from the private secretary of Ballinger. This confession covered the preparation of a document by a distinguished official of several recent administrations, a document which pretended to be an opinion on the case, on which President Taft had presented judgment, and which, when he could not verify it, Louis Brandeis suspected was antedated. It was pursued until, finally, the secretary, Mr. Frederick M. Kirby, told us the truth about the preparation of that document down in the Interior Department. Mr. Kirby, two or three years later, was my private secretary; so you can see how I was intimately connected with the Ballinger case. Mr. Kirby became, when he got free from that influence, a very fine and very efficient newspaperman. He is still with the Scripps organization.

I never knew the end of the capacity of Mr. Slattery. He knows more now than most anybody. He has got more material in his files up there than anybody in the United States. If he ever prints the history of his life, the public will sit up and take a great deal of notice.

I am reminded by this tribute to Mr. Slattery, which has my utmost approval, of a story which I heard the other day: One of my classmates was a district attorney for the western end of Massachusetts for 13 years, and he tried the cases of all of the criminals in that part of the country. He was over in Boston one day and met one of the distinguished lights there. This man said to him: "And is it true that you have spent all of your life over there in that part of the country?" And Charlie Wright said, "Not yet." I hope Mr. Slattery will have the same reply to make. [Applause.]

TOASTMASTER. There are other resources besides our natural and physical resources; there are human resources. While we were here at dinner I had a long-distance call from William B. Wilson, former Secretary of Labor, who told me that he had expected to be in Washington and had hoped until the last minute that he would be able to attend this dinner, but he telephoned this message:

"I wish you would convey to Mr. Slattery my highest appreciation of the splendid services he has rendered during the period of his public life. Few men have had the opportunity to conserve the moral and material resources of a nation such as came to him, and the courage, integrity, and intelligence with which he has met every situation entitle him to the gratitude of all of his countrymen."

Mr. Wilson is one of the brave men and women who, like Harry Slattery, have been fighting for the preservation of human resources, and so I give you the toast, "To the preservation of the Nation's human resources, its men and women and children," and ask Mrs. Costigan to respond to that toast.

MRS. EDWARD P. COSTIGAN, WIFE OF THE SENATOR FROM COLORADO

MRS. COSTIGAN. Mr. Toastmaster and friends, when these ceremonies began Harry Slattery said, "Here is where I would like to go under the table." That made me think of a testimonial dinner I attended one time, given to my best friend in our home town when he was appointed a member of the Tariff Commission. There was a picture of Woodrow Wilson on the wall and a picture of my



best friend. Ex-Senator Cannon, of Utah, one of the speakers on that occasion, was most eloquent. He finally turned to the pictures on the wall and exclaimed, "There they are, where they belong, hanging together!" To-night we are all where we belong, hanging together, as we always should be on occasions when we meet to honor one who has been our guide and inspiration on countless occasions.

Harry Slattery makes me think of the old saint whose ambition was to do all the good he could and never know anything about it. That is just the kind of saint he is.

I do not suppose Mr. Slattery recalls an occasion, which I well remember, when he saved some of us from a serious pitfall, at the time when the League of Women Voters was first considering how to deal with the Muscle Shoals issue. The ladies from Alabama had put the problem on our doorstep, saying, "You must save Muscle Shoals for the women of the South." We were considering the best way to dispose of Muscle Shoals, and our committee, thinking they knew a great deal about the Muscle Shoals project, met to decide what they should recommend to the convention of the League of Women Voters. When, as chairman, I realized the magnitude of the public issue, I did what so many women do—I called up a man and said: "What is the truth of this situation?" And before the vote came a few hours later, all the arguments were in our hands against the proposal of Henry Ford to lease Muscle Shoals. Who provided those arguments? Harry Slattery, of course. So, from time to time, he has saved that League of Women Voters, as legal adviser, from many difficulties. There were other troubles on our doorstep, but Mr. Slattery was always there telling us how to handle them.

Our times are serious and we need advice as never before. The people are in the coop, instead of the chickens in the pot. So, to-night, I bring here the tribute of all the women I have worked with in Washington during past years. We have come to tell Harry Slattery of our debt of gratitude and, here, before you all, to thank him for the many times he has saved us—this gentleman, this statesman, our friend, Harry Slattery.

TOASTMASTER. Now, we come to the time when our guest should at least let us know that he is glad to be with us. [Company rising, great applause.]

#### MR. HARRY SLATTERY

MR. SLATTERY. Mr. Chairman and friends, it is not easy to speak on an occasion like this. I deeply appreciate all the kind things that have been said about me. I appreciate them more than you will ever know. At a time like this emotion sometimes takes away thoughts. Any man would be proud of this occasion and of these fine things, and of these friends. I have only one regret, and that is, that to-night my mother, who is 85 years old, could not be here. She has always held to and taught me the old Biblical principle that "He who gives his life, shall save it."

I feel a good deal like one of the early pioneers or like a charter member of the oldest inhabitants. Senator NORRIS has told you about the old Ballinger case. He did not tell you that in the fight in the Ballinger case he unseated Cannon and ended a political dynasty. But it seems I go so far back, it might be like a story I heard the other day of the old dorky to whom some one was talking at Mount Vernon. He said he had been a slave owned by the Washington family. A visitor said: "Why, this is certainly unusual. You must remember General Washington." And he said, "Oh, I remember him well." "You knew him as a boy?" "Yes, sir, right there with him," the dorky replied. "You must remember him when he took a hack at the cherry tree." And he said, "I certainly do, boss. I drove that hack—we had a good ride."

It is a great privilege and a great pleasure to have been in some way—a small way, associated with the progressive movement. Washington, after all, is a good deal the home of certain financial and social cliques; there is ballyhoo and playing for place or favor on all sides, sometimes either at the Capitol or at the White House; but I am sure that even if there is a good deal of artificial sham, ideals win out.

My years have taught me one thing, clear as crystal, and that is, that the progressive principles and the progressive ideals have won straight through. They might have their ups and downs, and they might have changes here and there, but they all work to solve our problems, every one, every day, and in many ways, and will always win; because I think we can safely rest our faith upon one principle that is above all others, and that is unselfishness and undying belief in the democratic ideals of the Nation.

I can recall very well when they had a great filibuster in the dying days of the Wilson administration, on the fight over the natural resources. That contest was led by the fighter who has gone from us, Senator La Follette. He would lie down at times with a great military cloak around him, like a general on the field of battle, preparing to renew the fight that was being carried on in the Senate night and day, day after day. One night I remember Senator Sherman spoke to him and said, "Bob, I think the end is in sight on this." But Senator La Follette said, "We will win this fight to-morrow, or eventually; we will win it."

It strikes me that is the story of the whole progressive movement—that American ideals will win to-day, they will win to-morrow, or they will eventually win.

The battle over these resources always seemed to me a long-time proposition. So many people do not seem to realize that legislation takes years. The conservation measures took from 7

to 15 years, whether water power, forests, coal, or oil, before they were enacted into law. Many people in this world want to win to-day. The reason why progressive ideals are eventually going to win is because those who support them realize it is a long-time proposition; and the fight goes always forward.

But I want to tell you one story about the oil leasing. Mr. Fall, when we conservationists started to question his activities as to the naval oil leases, used pretty strong language—he was a gentleman that used strong language—and he sent us to a certain place, where they do not keep refrigeration. Then Mr. Fall in his reign of terror—and I am sure Senator NORRIS and Senator LA FOLLETTE must remember those days—Mr. Fall decided he would use some rough tactics and he had a man by the name of Baracca, who was a 2-gun man and had passed several men over the Great Divide. Mr. Fall sent him around to several newspaper men to make inquiry, and I think he went to see Gilson Gardner. But anyway, he arrived to see me with a threat; and I want to cite this as an illustration of how tense those times were. I may be modest, but I kicked that gentleman out of my office. [Applause.]

One more observation and then I am through. In my opinion, when the whole story about water power is written, no part of it will be so complete as that marvelous fight for many, many years that Senator NORRIS has made for Muscle Shoals. He has exemplified the progressive spirit. In the days when he had no support he labored away and fought morning, noon, and night with his legislative resources, and he turned up both the Democratic and Republican propower groups on many occasions. What has been a great surprise to me is that the Southern representatives (I make apology to Senator BLACK, of course; I know Senator BLACK has been one of the stalwarts on the public side) have never seen that this was giving away a great birthright for a mess of pottage, and that the Muscle Shoals development is going to mean more to the economic development of the South than the cotton fields, the lumber resources, the plantations, or the other great resources of the South.

I want to thank you all again for this unusual and marvelous meeting. It will mean much in my life; it will mean, like the old story, that I will touch earth again with renewed strength to carry on the fight that I believe will always win. [Rising applause.]

TOASTMASTER. And now, ladies and gentlemen, God be with you 'till we meet again.

#### LETTERS AND TELEGRAMS RECEIVED

CHICAGO, ILL., July 13, 1932.

As one of the Washington correspondents, I have a personal knowledge of the high type of Mr. Slattery's public contributions. I know of no man in or out of public life who has labored so hard for the public welfare with such unselfish motives. Without him I doubt if there would have been a successful Teapot Dome investigation. That was only one of many achievements.

As a newspaperman close to the Teapot Dome story from its inception, I know what he did. If there is anyone who unselfishly, day in and day out, labors pro bono publico with no hope or anticipation of pecuniary reward; that man is Harry Slattery.

If Congress were filled with men of his type what a difference there would be in the attitude of the people toward government.

JOHN D. ERWIN,

Correspondent, Nashville Tennessean, Chattanooga News, Knoxville Journal, and formerly Chief Correspondent, New York Evening World.

SEBASCO ESTATES,

Via Bath, Me., July 1, 1932.

I should like to have been there and participated in this occasion. If there ever was a man faithful to the interests of the people, surely Slattery is entitled to that distinction. I am sure the meeting was a great success.

WILLIAM S. KENTON,

Judge, United States Circuit Court of Appeals.

CHARLESTON, S. C., June 25, 1932.

Permit me to join in paying tribute to Harry Slattery for his unselfish and patriotic contributions to the public service during the past 25 years. May God spare him to his country and his friends for many years to come.

JOHN I. COSGROVE,

Justice, Supreme Court of South Carolina.

NEW YORK CITY, July 8, 1932.

Harry Slattery is, and long has been, one of the ablest and most courageous and effective champions of the public interest at Washington. He knows the public law of this country as do few lawyers of our time, and he stands preeminent in the utilization of that knowledge for the public good. No one has a finer record in the whole field of conservation. In the great contests to save Muscle Shoals, Boulder Dam, the national forests, and the naval oil reserves for the benefit of the American people, he has played an essential and often a decisive part. I had hoped and planned to come to Washington for the dinner and count it a deep satisfaction to make this acknowledgment to him.

FRANK P. WALSH,

Chairman The Power Authority of the State of New York.



UNITED STATES FLEET AIRCRAFT,  
SCOUTING FORCE, U. S. S. "WRIGHT," FLAGSHIP,  
San Diego, Calif., July 7, 1932.

I very much regret that I was unable to attend the dinner or to send a message of greeting in time for the dinner. More than anyone else, perhaps, in the Navy, I appreciate the great public service that Harry Slattery gave the Navy and the Nation in the matter of the naval petroleum reserves.

JOHN HALLIGAN,  
Rear Admiral, United States Navy.

WASHINGTON, D. C., July 13, 1932.

I have personal knowledge of some of Harry Slattery's work, and much more of it I know from what others have told me. That this work has been of great importance in the public interest is certain, and it is equally certain that he has been so modest and self-effacing that he has escaped the general public recognition of merit which was his due. It is a delight to honor such a man, and I sincerely hope that for the future he may not lack the strength and opportunity to continue along the same old lines. He can serve his country in no better way.

JOSEPH B. EASTMAN,  
Member Interstate Commerce Commission.

NEW YORK, N. Y., June 25, 1932.

Leaving for Chicago, otherwise would join with you in honoring Harry Slattery for his fine social service through a quarter of a century. If democracy is to be preserved it will be through the tireless and unselfish service of just such militant champions of social justice.

CLAUDE G. BOWERS.

WASHINGTON, D. C., June 23, 1932.

Harry Slattery's untiring efforts in behalf of the conservation of the natural resources of this country have proved a real contribution to that cause and have inspired others to join the fight. Never before has this Nation needed men of sound but liberal views as it does to-day. By honoring those who have spent years in the fight, we attract others to the standard of progressivism. May God spare Harry Slattery and all others like him to continue on for many years to come.

FRANKLYN WALTMAN, JR.,  
Editorial Staff, the Baltimore Sun.

NIANTIC, CONN., June 25, 1932.

To Harry Slattery: About the most useful citizen this country has produced. I wish I could be there to greet him.

STUART CHASE.

WASHINGTON, D. C., June 23, 1932.

Nothing would have given me greater pleasure than to sit among my friends for the purpose of doing honor to a man who has labored so hard and so long in the public interest.

ARTHUR CAPPER,  
United States Senator from Kansas.

WASHINGTON, D. C., June 22, 1932.

I take this opportunity to express my appreciation of the splendid service rendered by Mr. Slattery for the public welfare. May his power and good influence increase in the coming years.

J. H. SINCLAIR,  
United States Representative from North Dakota.

WASHINGTON, D. C., June 25, 1932.

It is difficult to put on paper my opinion of Harry. I find it is a queer mixture of warm, personal affection for a dear friend and deep admiration for the ability and courage of a veteran battler for the common good.

When I came to Washington 20 years ago I found Harry a charter member of the "Hell Raisers." He made the ammunition other men used. They got the glory while Harry—always smiling, always self-effacing—was content in the knowledge that he had contributed to the job of blowing special privilege and political rogues out of their trenches.

During the last 20 years the progressives have done great work here in Washington, and Harry Slattery—God bless him—is entitled to a lot of the credit.

As a "son of the wild jackass," I doff my chapeau in heart-felt tribute to this fine gentleman from the old South.

EDWARD KEATING,  
Manager Labor, Official Newspaper of the  
Standard Railroad Brotherhoods.

NEW YORK, N. Y., June 22, 1932.

I am very glad indeed that a group of Mr. Slattery's friends is thus going to honor his 25 years of public service. He has done yeoman's work, all the more to be praised as it has been so modest and self-sacrificing that the public has failed to hear of him as it ought and to honor him for his noteworthy patriotic services. I regret that I can not testify by my presence to my own appreciation of what he has done.

OSWALD GARRISON VILLARD,  
Editor The Nation.

CHICAGO, ILL., June 23, 1932.

I regret very much that the Democrats are keeping me away from the dinner for Harry Slattery.

He richly deserves this testimonial. Will you please convey to him my warmest regards and say that I count it an honor to have had his friendship? Surely we need not despair of our Republic when there are still some men like Harry Slattery to carry the torch of truth and justice.

CHARLES G. ROSS,  
Washington Correspondent St. Louis Post-Dispatch.

WASHINGTON, D. C., June 24, 1932.

Harry has done such wonderful work that I should like to be among those who are paying him some part of the honor that is his due.

R. H. MCGOWAN,  
Assistant Director Department of Social Action,  
National Catholic Welfare Conference.

CHICAGO, ILL., June 27, 1932.

There is no man more worthy of our honor for public service than Harry Slattery.

LUDWELL DENNY,  
Chief Editorial Writer, Scripps-Howard Newspapers.

CHICAGO, ILL., June 25, 1932.

I would like to express my appreciation of the long and effective public service which Harry Slattery has rendered and my hope that he may be permitted by the mysterious powers that allot health and economic security to continue his useful labors for many many years.

DONALD R. RICHBERG.

PHILADELPHIA, PA., June 25, 1932.

Harry Slattery is the kind we will have more of when we get really civilized. They do not come any more dependable, able, socially-minded, warm-hearted, and self-effacing. Any listing of the public causes on which he has left his impress makes quite a catalogue. I get a real kick thinking about his splendid services and feel a sense of deep gratitude for his cooperation.

MORRIS LLEWELLYN COOKE.

CHICAGO, ILL., June 25, 1932.

Sorry to miss any dinner for Harry Slattery—one of Washington's best and most useful.

LOWELL MELLETT,  
Editor the Washington News.  
MAX STERN,  
Correspondent, Scripps-Howard Newspapers.

ROCHESTER, MINN., June 24, 1932.

Very sorry I will not be able to be in Washington on June 25. My congratulations and my gratitude go to Mr. Slattery. I hope the dinner celebrates the beginning of another quarter century of service.

GRACE ABBOTT,  
Chief, Children's Bureau, Department of Labor.

BREMERTON, WASH., June 28, 1932.

It certainly would have been a matter of the greatest pleasure for me to have been able to attend that dinner and pay my tribute to the good work that Harry Slattery has done during all these years. He has been forever on the job and has never failed in any requirement or appointment in line with his duty. He has been the right hand of the great and mighty and has been the everlasting foe of those who would undermine progressive and righteous efforts.

I believe in Harry Slattery with all my heart and want you to assure him of my perpetual confidence, love, and affection.

J. W. BRYAN, Sr.,  
Former Representative from Washington.

NAKOMA FARMS,  
Fairport, N. Y., July 3, 1932.

It is pleasant to think of that fine group assembled to honor one whose ability and single-minded devotion to the cause of righteousness and integrity in Government and politics during these 25 years have won him the love and admiration of those who have been close enough to him to understand and recognize that his sensitiveness and modesty have prevented the general recognition which might have been accorded to him.

MRS. LAURA C. WILLIAMS.

CALF PASTURE COVE,  
Groton, Conn., July 5, 1932.

I should have liked so much to have added my voice to the chorus of those who appreciate Harry Slattery's long years of valiant service; especially nowadays when the world rocks about us.

MARY FOULKE MORRISON.

CAPE ELIZABETH, ME., June 27, 1932.

Mr. Harry Slattery's unique service to good government seems to me to be made up of two elements: First, the extent and variety

of his knowledge about public affairs and about men and women in public life; second, his single-minded and selfless devotion to the ideals in which he has faith.

Like hundreds of others, I am deeply grateful for all that he is and has done.

MAUD WOOD PARK.

SCRANTON, PA., June 22, 1932.

I congratulate Harry Slattery upon the twenty-fifth anniversary of his public service. He has in the last quarter of a century been faithful and progressive, and the results of his labors make a record of which he and his friends may be very proud.

E. J. LYNETT.

Editor and Publisher *The Scranton Times*.

WASHINGTON, D. C., June 24, 1932.

If there is any man in Washington who has consistently demonstrated genuine capacity for purely patriotic service, that man is Harry Slattery. He deserves more honor than he is ever likely to get, and all of the tribute that will be paid to him to-morrow night will go only a short distance on the road to the recognition his service merits. There are plenty in this world who are willing to do the right thing and often do it very ably for a sufficient reward in either cash or notoriety, but everyone who knows Harry Slattery understands that here is one queer bird who goes along doing the right thing all the time for the sake of doing it.

CHESTER M. WRIGHT,

Editor *International Labor News Service*.

WASHINGTON, D. C., June 23, 1932.

I am really surprised that any friends of Harry Slattery should actually think they know anything about the good public service that Harry has rendered to the community. Do they not know that he has always disobeyed those most ancient of injunctions and hid his light under a bushel and buried his talent in the ground? But, then, the bushel always caught on fire, and the talent turned out to be a smokeless and noiseless bomb that lifted things out of the waters of corruption. What would not the great destroyers of humanity give for that kind of an explosive force! But, luckily, the friends of Harry Slattery have had that force on their side and can now gather to tell him so in the simple words that would most please him, I am sure.

LEIFUR MAGNUSSON.

WASHINGTON, D. C., June 23, 1932.

I have long known Harry Slattery as a man of sterling qualities, high ideals, and unusual attainments, and I am proud of the privilege of adding my congratulations to those of his many other friends and associates.

J. J. FITZPATRICK,

Managing Editor *The Washington Times*.

NEW YORK, N. Y., June 23, 1932.

May I offer my testimony of the unusual and beneficial service that Harry Slattery has rendered this Nation and the cause of enlightened and practical liberalism, consonant with the principles and traditions upon which our country was founded.

DWIGHT L. HOOPINGARNER,

Executive Secretary *American Construction Council*.

WASHINGTON, D. C., June 22, 1932.

It would give me great happiness to attend a gathering in honor of the splendid work that Mr. Slattery has done in all these years. He has been a fine public servant without portfolio.

HUSTON THOMPSON,

Former Chairman *Federal Trade Commission*.

WASHINGTON, D. C., June 22, 1932.

I have personal knowledge of Mr. Slattery's splendid service and direct personal aid in this movement, from the days when as a newcomer I challenged wasteful appropriations by the House. His help enabled us to get the work before the people, and that was half the battle. On the Muscle Shoals and other propositions, he lent aid and encouragement that helped in the battles of those days.

JAMES A. FREAR,

United States Representative from Wisconsin.

CHICAGO, ILL., June 25, 1932.

Cordial greetings and congratulations to Harry Slattery upon his completion of 25 years of outstanding public service in his chosen field. I wish him more power and a long life.

HERMAN L. EKERN,

Former Attorney General of Wisconsin.

WASHINGTON, D. C., June 21, 1932.

I have fought alongside with Harry since the hell raiser days of 1913. He has served the old cause with unswerving devotion, with all his energy, directed by an unusually wise head. He has never shown a yellow streak nor hesitated to go to the front because he was not paid.

A list of the things Harry has accomplished successfully, and for which he has been given and for which he has sought no

credit would be an imposing array. The story of his life and experiences would be more fascinating than any novel I know of and more valuable than any known treatise on current history or political science. He knows how things actually happen to happen.

It is for the interest of the country to see that he has another 25 years of service.

JUDSON KING,

Director *National Popular Government League*.

CHICAGO, ILL., June 25, 1932.

You do well to honor a man who has done so much real service to the people of America. No matter how eloquent the tributes to Harry at your dinner, Harry's life itself speaks much more eloquently.

CHARLES W. ERVIN.

CROSSFIELDS, PETERSHAM, MASS.,

July 5, 1932.

Harry Slattery has been a splendid citizen, of the type ever on the job, of which our country needs many times the number it has. His knowledge and his devotion have always attracted me to him, and many is the time I have leaned on him. Perhaps a few years later I may be fortunate enough to be one of a group to do him honor.

NORMAN HAPGOOD.

NEW YORK, N. Y., July 6, 1932.

I am sorry to have missed the dinner and the chance to express to Harry my appreciation of his splendid work.

GEORGE SOULE,

Editor *The New Republic*.

NEW YORK, June 24, 1932.

Deeply regret inability to attend dinner to my old and dear friend, Harry Slattery, Saturday night. Give him my affectionate regards and congratulate him for me upon a record of intelligent, devoted, and immensely important service to his country such as few men of our time can boast.

AMOS PINCHOT.

WASHINGTON, D. C., June 22, 1932.

Harry Slattery is a good man! There are not many of them and they are widely scattered. Let's encourage them all we can. There never was a time before when such men were more needed.

DR. JOHN H. GRAY.

WASHINGTON, D. C., June 21, 1932.

Please express on my behalf my best wishes for Mr. Slattery and my appreciation of the work he has performed in the public service for the last quarter of a century.

R. B. HOWELL,

United States Senator from Nebraska.

WASHINGTON, D. C., June 24, 1932.

I feel that this is one of the rare occasions that come to those of us who are interested in the public welfare to pay homage to a person who holds the well-being of his fellow citizens as the great end to be served.

Please convey to Mr. Slattery my sincerest greetings and my hope that a quarter of a century hence we may still have his services.

ISADOR LUBIN,

Economist, *The Brookings Institution*.

WASHINGTON, D. C., June 21, 1932.

If I am in the city you can rest assured that I will not miss being present at any dinner which is to be given in honor of Harry Slattery's work in the interest of the progressive cause, which has been unexcelled.

BURTON K. WHEELER,

United States Senator from Montana.

WASHINGTON, D. C., July 8, 1932.

Harry Slattery has done so much good work, the credit for which has gone to others, that it was very fitting for his friends to express their appreciation in this way. Please convey to Harry my best wishes for an indefinite continuation of this work.

RAYMOND CLAPPER,

Manager *Washington Bureau, United Press Association*.

ST. PAUL, MINN., July 5, 1932.

I hope it is not too late for me to say how highly I value the public services of Harry Slattery not only in the field of conservation but in the entire field of liberal economic measures. There are people who get a great deal of public acclaim for whatever they do, and I am glad for them. There are, however, people of his type who do a prodigious amount of work of which only a few of their closest friends are aware. I therefore am delighted that some friends thought of paying him the tribute which he has so richly earned for unobtrusive, quiet, but effective work. I have not yet lost faith in the sense of justice and reason of the American people, and some of these days this conscience that has been



slumbering will come to the front once more and people will turn to its real and true leaders for guidance.

Permit me to acknowledge my personal indebtedness to him for all he has done in forestry.

DR. RAPHAEL ZON,  
Director Lake States Forest Experiment Station,  
Professor of Forestry University of Minnesota,  
Editor in Chief Journal of Forestry.

Messages of greeting and appreciation of Mr. Slattery's public services were also received from Mr. Thomas R. Shipp, Washington, D. C.; Mr. John P. Frey, secretary-treasurer metal trades department, American Federation of Labor, Washington, D. C.; Hon. Michael MacWhite, envoy extraordinary and minister plenipotentiary Irish Free State; Hon. John J. McSwain, United States Representative from South Carolina; Mr. F. Stuart Fitzpatrick, manager civic development department, Chamber of Commerce of the United States; Hon. John M. Evans, United States Representative from Montana; Mr. and Mrs. LaRue Brown, Boston, Mass.; Mr. Homer Joseph Dodge, Haskin Information Service, Washington, D. C.; Mr. W. J. MacDonald, East St. Louis, Ill.; Mr. John J. Lenney, Philadelphia, Pa.; Mr. Harold L. Ickes, lawyer, Chicago, Ill.; Mr. Benjamin C. Marsh, executive secretary the People's Lobby, Washington, D. C.; Alice Griswold, Bryn Mawr, Pa.; Mr. Darwin J. Meserole, New York, N. Y.; Hon. Florello H. LaGuardia, United States Representative from New York; Hon. Kenneth McKellar, United States Senator from Tennessee; Hon. Bronson Cutting, United States Senator from New Mexico; Hon. I. C. Blackwood, Governor State of South Carolina.

Present at the dinner were: Hon. George W. Norris, Senator from Nebraska; Hon. Henrik Shipstead, Senator from Minnesota; Hon. Robert M. La Follette, jr., Senator from Wisconsin; Mrs. Robert M. La Follette, jr.; Hon. Gerald P. Nye, Senator from North Dakota; Mrs. Gerald P. Nye; Hon. Lynn J. Frazier, Senator from North Dakota; Mrs. Lynn J. Frazier; Hon. Edward P. Costigan, Senator from Colorado; Mrs. Edward P. Costigan; Hon. Hugo L. Black, Senator from Alabama; Hon. John J. Blaine, Senator from Wisconsin; Hon. Henry T. Rainey, Representative from Illinois and majority leader of the House of Representatives; Mrs. Henry T. Rainey; Hon. George J. Schneider, Representative from Wisconsin; Hon. Paul J. Kvale, Representative from Minnesota; Hon. Thomas R. Amlie, Representative from Wisconsin.

Hon. Joseph B. Eastman, member of Interstate Commerce Commission; Hon. Basil Manly, former joint chairman United States War Labor Board; Mrs. Basil Manly; Mrs. Laura Bradley; Miss Josephine Roche; Mr. Andrew Furuseth; Miss Mary Anderson; Mr. Lewis L. Lorwin; Mr. Lawrence Todd; Miss Ruth Finney; Mr. Robert G. Allen; Mr. Grattan Kerans; Mr. M. L. Ramsey; Col. George P. Ahern; Mr. Benjamin Meiman; Mrs. Louis F. Post; Mr. Richard Boeckel; Mr. Richard Litchfield; Capt. A. C. Toombs; Hon. J. E. Lawson; Mr. P. R. Livingston; Mr. George T. Odell; Mrs. George T. Odell; Mr. Paul Webbink; Mr. Maurice Pasch; Mrs. Nellie Dunn MacKenzie; Dr. Constantine McGuire; Mr. Harold Horan; Mr. Louis J. Heath; Mr. Ovid M. Butler; Mr. Charles M. Kelley; Maj. Robert Y. Stuart; Mr. R. G. Sucher; Mrs. R. G. Sucher; Mr. John Carson; Miss Mary Katherine Carson; Mr. Jack Robertson; Mrs. Jack Robertson; Mr. John Baer; Senator Gardner; Mrs. Gardner; Mr. Oswald Schuette; Mrs. Oswald Schuette; Mr. Gilson Gardner; Mrs. Gilson Gardner; Mr. Jerry Egan; Mrs. Jerry Egan; Mr. Elliott Pemberton; Mrs. Elliott Pemberton; Mr. W. J. Ghent; Mr. Gardiner Jackson; Mrs. John J. Lenney; Mrs. Mary Lenney Watts.

#### DEDICATION OF CAPITOL OF WEST VIRGINIA

Mr. HATFIELD. Mr. President, the State of West Virginia and the citizens of West Virginia dedicated a new State capitol a few days ago, and I ask unanimous consent that the proceedings, a report of which appeared in a local newspaper, be printed in the CONGRESSIONAL RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From the Charleston (W. Va.) Gazette, June 21, 1932]

CAPITOL DEDICATED AS GIFT TO STATE ON ITS SIXTY-NINTH BIRTHDAY—THOUSANDS ATTEND COLORFUL CEREMONY; HEAR CITIZENSHIP EXTORLED BY GOFF—OFFICIAL RECEPTION HELD AS DAY'S CLOSING EVENT—MISS JARVIS, GOVERNOR CONLEY, AND SENATOR CHILTON ARE SPEAKERS

By Clyde H. East

A present to the State of West Virginia by its people on its State's sixty-ninth birthday, the new capitol was dedicated yesterday as thousands inspected the government's elaborate quarters and later gathered in the concourse behind the main unit to hear the dedication addresses and formal acceptance on behalf of the people by Gov. William G. Conley.

The first State reception to be held in the magnificent reception room of the governor's suite last night closed the day's events. The chief executive and six other elective State officers making up the board of public works greeted a seemingly never-ending line of visitors.

Various estimates of the number of persons who participated in the dedication were offered. Many agreed that 15,000 had visited the statehouse during the day, and they came from every

corner of the State. Included in the number were persons prominent in the political, social, and industrial life of West Virginia.

#### DEDICATED TO POSTERITY

Throughout the dedication a scorching sun beat upon the thousands grouped on the capitol lawn. Relief from the blazing heat came near the close of Governor Conley's address of acceptance. Like a curtain descending at the end of a play, semidarkness brought on by a sudden storm fell just as the National Guard band played West Virginia Hills at the conclusion of the afternoon ceremonies.

It grew darker swiftly until, as the final bars of the State's anthem were played, wind whistled through the trees and dark clouds raced across the sky.

The capitol was dedicated to posterity by former United States Senator Guy D. Goff, of Clarksburg, as "a temple to the God-like in man who realizes that worldwide prosperity, the success of nature, lies in concord, not strife, in the things of the mind, not the powers of the arm."

#### EMBLEMATIC OF THE PEOPLE

The building was accepted by Governor Conley as symbolic in its sturdy strength of the pioneer stock from which West Virginians spring. "These pillars and columns," he said, "are emblematic of the characteristics of our people—honesty, integrity, and industry—are also indicative of the ambitions of our citizens."

A colorful parade, headed by Col. R. L. Osborn, superintendent of State police, and Chief of Police John Britton, of Charleston, preceded the dedication exercises. The entire program was carried out as planned. The addresses were brief and the thousands listened attentively to the speakers.

Former United States Senator William E. Chilton presided at the ceremony. He referred to the capitol as "the finest in the United States" and congratulated the people upon its completion.

The voices of the speakers were carried to the outermost fringes of the crowd by batteries of amplifiers.

#### MONUMENT TO MOTHERS

Miss Anna Jarvis, founder of Mother's Day and a native of Grafton, was the first speaker introduced by Senator Chilton. She termed the capitol "a fitting monument to the sacrifices, the devotion, the industry, and the hopes of West Virginia mothers."

Miss Jarvis said she "would offer this building as though it came from the visible work and hands of these women of the State. I would offer it as the true home of West Virginia—a building in which every mother and the son of every mother has an even right to its usefulness, its ownership, and its duty—a building in which every citizen, now living, as well as unborn, are equal and even possessors, share and share alike, and of which none can deprive them."

The elements of greatness, she said, "have always been shown by West Virginia. To-day the State passes another milestone toward the goal of true greatness. To-day, this State honors its homes and mothers as has no other State and nation. To-day for the first time in history the mothers have a part in the dedication of a great public edifice. It is an honor to every West Virginia home. It is a tribute to every West Virginia mother; it is a movement that other States and countries will follow in paying tribute to the mothers of all mankind."

"May we realize that this building stands for truth, for justice, and for integrity, and for the hopes and ambitions of all West Virginia mothers."

Cass Gilbert, capitol architect, sent a telegram saying he regretted his inability to be present. He was represented by his son, Cass Gilbert, jr., who was introduced to the crowd by Senator Chilton.

#### LIBERTY IS GUARANTEED

Both Senator Goff and Governor Conley expressed hope that future occupants of the capitol would conduct themselves in such manner that the faith of the people in their system of government shall never be shaken.

"Too many people are trying to get something out of their country and too few are willing to give and serve," Senator Goff declared. He stated "in these days the State is continually asked to assume additional functions, because many believe that the State should take the place of individual initiative and reduce all men to the dead level of the most incompetent."

"No government ever made or ever will make a people great except as it guarantees the liberty whereby the people shall make themselves great. No people ever have made or ever will make themselves great by relying upon their government to do for them the things they should do for themselves."

#### UNSELFISHNESS DEMANDS

Senator Goff continued that the principal need of the Nation to-day is "citizens who are not afraid of the demagogues and the unprincipled, selfish, time-serving politicians who, for selfish and sordid reasons, have interfered with matters they do not understand, until they have retarded recovery and made the people believe that they are constantly being cheated \* \* \* until confidence is destroyed and honor always questioned."

He referred to law enforcement with a statement that "disrespect for law is one of our cankerous sins." If it is allowed to continue "it will mean the destruction of individual rights, the family, and the Nation."

"Never, in all her onward and upward march," the speaker added, "was West Virginia more needed than now as a teacher of the priceless lessons of American liberty to our citizens, both native and foreign born."

## HISTORY OF STATE TRACED

Governor Conley traced the history of hardy pioneers that carved out their homes in the wilderness, now West Virginia, and of the State moving through the years "progressing step by step in all lines of endeavor, until we stand here to-day and behold the most beautiful capitol building in the United States, the home of the government of West Virginia.

"As our footsteps pass echoing down the corridors of time our work will be taken over by our children, whose footsteps to-day echo down the corridors of these buildings. In a large measure it is for them and their children and their children's children that we have built here structures which typify the State of West Virginia and her people.

"Just as these massive walls can stand only when they are constructed on a firm foundation of an honest, alert, and intelligent public \* \* \*. Let it be our dedication and acceptance prayer that the leaders in government, who utilize the facilities here provided, will so order their work as to continue confidence in government and its purposes and may that confidence continue so long as government lasts."

## MOTHERS EXPRESS APPROVAL

It is appropriate, he said, "that the mothers of this great State, through their representative, the founder of Mother's Day throughout the civilized world, who is here in person, have expressed their approval of this effort to dignify West Virginia by a capitol that stands for the past, the present, and the future greatness of the State."

A silent tribute was paid by the big crowd, at the request of Senator Chilton, to the memory of the six members of the capitol commission who have died—Frederick M. Staunton and William A. MacCorkle, of Charleston; Boyd Jarrell, of Huntington; Harry P. Camden, of Parkersburg; N. Price Whittaker, of Wheeling; and Virgil L. Highland, of Clarksburg.

Surviving members of the commission, many of whom occupied places of honor on the north portico of the main unit near the speakers, are former Gov. E. F. Morgan, former Gov. Howard M. Gore, Governor Conley, Gohen C. Arnold, Edwin M. Keatley, Herbert Fitzpatrick, George A. Laughlin, Senator Mont Z. White, J. William Cummins, Charles W. Dillon, and Charles K. Payne.

## MANY LEGISLATORS HERE

Many members of the legislature, headed by their presiding officers, Senator White, president of the senate, and J. Alfred Taylor, speaker of the house of delegates, were on the platform. They expressed pride in the capitol, and several of them who expect to be members of the next legislature said they were looking forward to the session in January when they will occupy the new legislative chambers.

It was the biggest birthday party in West Virginia history. Streets were bedecked with flags and a carnival spirit prevailed as the thousands of citizens gathered to present their gift to the State.

The visitors hurried to the massive gray stone structure on the banks of the Kanawha to walk through its marble halls, awed by its simple beauty.

## ESCORTED THROUGH BUILDING

There guides, employees of the various State departments, escorted the citizens through their own capitol building, through the reception room in the governor's suite, termed by many as the most beautiful room in the State, through the three rotundas, two small and one massive, where far overhead glistened a many-faceted chandelier hanging from the top of a sky-blue dome.

Many also climbed the stairs to the legislative chambers and were shown through the two office buildings flanking the main unit. Meanwhile airplanes droned overhead, lending their part to the celebration of the 10-year capitol task started after destruction of the old capitol by fire in 1921.

To-day will be "open-house day" at the capitol. Many of the visitors remained in Charleston overnight and they are expected to visit the statehouse and glimpse the officials and employees at work.

Program June 20, 1932, 2 o'clock p. m.—Dedication West Virginia Capitol Building.

Speaker's stand will be located on north portico, facing Washington Street.

Presiding: Hon. William E. Chilton.

"America;" Two hundred and first Regiment Band.

Prayer: Dr. Wilbur V. Mallalieu.

Address: Miss Anna Jarvis, founder of Mother's Day.

Dedication address: Col. Guy D. Goff.

Address: Accepting the capitol building on behalf of the people of the State, Gov. William G. Conley.

"West Virginia Hills;" Two hundred and first Regiment Band.

## SOCIAL EVENTS CLOSE FESTIVAL

Governor and Mrs. Conley were hosts at a buffet supper at the mansion, given prior to the state reception in the executive suite of the capitol.

Guests of Governor and Mrs. Conley at the supper were members of the board of public works and of the capitol commission, as well as other distinguished visitors. Among the guests were Mr. and Mrs. Guy D. Goff, of Washington, D. C.; Miss Anna Jarvis, of Philadelphia, Pa.; Mr. and Mrs. D. A. Burt, of Wheeling; Mr. and Mrs. J. O. Henson, of Martinsburg; Miss Grace Pettit, of Hopedale; Secretary of State George W. Sharp and Mrs. Sharp; State Auditor Edgar C. Lawson and Mrs. Lawson; Attorney General H. B. Lee and Mrs. Lee; Superintendent of Education William C. Cook and Mrs. Cook; State Treasurer William S. Johnson and Mrs. John-

son; former Gov. Howard M. Gore; President Mont Z. White, of the State senate, and Mrs. White, of Williamson; Mr. Cass Gilbert, Jr., of New York City.

Maj. A. J. Stackpole, president of the Pennsylvania Aeronautical Board; Capt. Fred Smith, president of the Ohio Aeronautical Board; Mr. F. S. Dunkle, executive secretary to the Governor of Ohio; Mr. and Mrs. J. W. Cummins, of Wheeling; Mr. and Mrs. C. W. Dillon, of Fayetteville; Mr. Gohen C. Arnold, of Buckhannon; Mr. Herbert F. Fitzpatrick, of Huntington; Mr. and Mrs. George A. Laughlin, of Wheeling; Mr. and Mrs. J. T. Pedro, of Parkersburg; Mr. and Mrs. Edwin M. Keatley; Mr. and Mrs. Vincent Legg; Mr. and Mrs. James Conley; Mr. and Mrs. John Laing; and Mrs. H. G. Hapgood.

## STATE RECEPTION

Governor Conley's state reception, held at 8.30 o'clock in the reception room adjoining his official suite, was attended by 2,000 West Virginians and visitors from other States.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the bill (H. R. 9642) to authorize supplemental appropriations for emergency highway construction, with a view to increasing employment.

## ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 4522. An act to authorize the conveyance to the State of Tennessee of certain land deeded to the United States for the Great Smoky Mountains National Park and not needed therefor;

S. 4574. An act to extend the provisions of the national bank act to the Virgin Islands of the United States, and for other purposes;

S. 4661. An act to repeal an act entitled "An act to legalize the incorporation of national trade-unions," approved June 29, 1886;

S. 4747. An act to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea;

H. J. Res. 473. A joint resolution to amend the public resolution entitled "Joint resolution making an appropriation to provide transportation to their homes for veterans of the World War temporarily quartered in the District of Columbia," approved July 8, 1932;

H. J. Res. 474. A joint resolution making available as of July 1, 1932, the appropriations contained in the regular annual appropriation acts for the fiscal year 1933 for the Departments of Agriculture, Post Office, Treasury, and War, and ratifying obligations incurred in anticipation thereof; and

H. J. Res. 475. A joint resolution making an appropriation for the payment of pages for the Senate and House of Representatives from July 16 to July 25, 1932.

## FINAL ADJOURNMENT

Mr. WATSON submitted the following concurrent resolution (S. Con. Res. 35), which was referred to the Committee on Appropriations:

*Resolved by the Senate (the House of Representatives concurring), That the two Houses of Congress shall adjourn on Saturday, the 16th day of July, 1932, and that when they adjourn on said day they stand adjourned sine die.*

## STUDY OF GOVERNMENTAL EXPENDITURES

Mr. McKELLAR submitted the following resolution (S. Res. 279), which was referred to the Committee on Appropriations:

*Resolved, That the subcommittee of the Committee on Appropriations heretofore appointed to consider and report economy measures, namely, WESLEY L. JONES, HIRAM BINGHAM, L. J. DICKINSON, KENNETH McKELLAR, SAM G. BRATTON, and JAMES F. BYRNES, be, and the same are hereby, appointed by the Senate of the United States to continue the study of governmental expenditures and report at the next session of Congress its recommendations as to what modifications, if any, should be made in the provisions of the so-called economy act enacted at this session, also, what further economies in governmental expenditure can be wisely effected either by the reduction of appropriations or the abolishment or consolidation of existing departments, bureaus, or independent establishments of the Government.*



## ENROLLED BILLS PRESENTED

Mr. VANDENBERG (for Mr. WATERMAN), from the Committee on Enrolled Bills, reported that on to-day, July 15, 1932, that committee presented to the President of the United States the following enrolled bills:

S. 4522. An act to authorize the conveyance to the State of Tennessee of certain land deeded to the United States for the Great Smoky Mountains National Park and not needed therefor;

S. 4574. An act to extend the provisions of the national bank act to the Virgin Islands of the United States, and for other purposes.

S. 4661. An act to repeal an act entitled "An act to legalize the incorporation of national trade-unions," approved June 29, 1886.

S. 4747. An act to provide for the entry under bond of exhibits of arts, sciences, and industries, and products of the soil, mine, and sea."

## EXECUTIVE SESSION

Mr. McNARY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

## EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate a message from the President of the United States, submitting several nominations in the Regular Army, which was referred to the committee on Military Affairs.

## REPORTS OF COMMITTEES

Mr. REED. Mr. President, from the Committee on Military Affairs, I report routine nominations, and ask unanimous consent that they may be considered at this time.

The VICE PRESIDENT. The nominations will be reported.

The Chief Clerk proceeded to read the nominations.

Mr. REED. I ask that the nominations be confirmed en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and, without objection, the nominations are confirmed.

Mr. HEBERT. Mr. President, from the Committee on Post Offices and Post Roads I report certain nominations and ask unanimous consent that they may be considered at this time.

The VICE PRESIDENT. The nominations will be reported.

The Chief Clerk proceeded to read the nominations of postmasters.

Mr. HEBERT. I ask that the nominations be confirmed en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the nominations are confirmed.

Are there further reports of committees? If not, the calendar is in order.

## PROTOCOLS CONCERNING THE ADHERENCE OF THE UNITED STATES TO THE COURT OF INTERNATIONAL JUSTICE

The Chief Clerk proceeded to read Executive A, protocols concerning adherence of the United States to the Court of International Justice.

Mr. MOSES. Let that go over.

The VICE PRESIDENT. The treaty will go over.

## TREATY BETWEEN THE UNITED STATES AND MEXICO

The Chief Clerk proceeded to read Executive L, a convention between the United States of America and the United Mexican States, signed at Mexico City June 18, 1932, extending the duration of the Special Claims Commission provided for in the convention between the two countries of September 10, 1923, together with a protocol concerning the extending convention, signed at the same time.

Mr. KING. Mr. President, may I inquire of the Senator from Oregon whether we will have another short executive session before we adjourn?

Mr. McNARY. Mr. President, if we do not conclude the consideration of all the nominations on the calendar, we

can have an executive session to-morrow afternoon before adjournment.

Mr. KING. I make the inquiry because the Senator from Idaho has reported from the Committee on Foreign Relations a very important treaty on Mexico. I have not had an opportunity to examine it. I received a copy of it just a few moments ago through the courtesy of the Senator, and if there is to be an executive session to-morrow, I ask that it may go over until to-morrow.

The VICE PRESIDENT. Is there objection to it going over?

Mr. BORAH. Mr. President, with the understanding that there will be an executive session to-morrow, I am glad to accommodate the Senator from Utah. But may I have an understanding with the Senator from Utah that it may be disposed of to-morrow?

Mr. KING. As far as I am concerned, I may vote against it; but I have no objection to the Senate passing upon it to-morrow.

The VICE PRESIDENT. Without objection, the treaty will go over.

## CHARLES J. MOOS

The Chief Clerk proceeded to read the nomination of Charles J. Moos to be postmaster at St. Paul, Minn.

Mr. BLAINE. Mr. President, I suggest that that go over.

Mr. McNARY. Mr. President, if the Senator will withhold that suggestion a moment—

Mr. BLAINE. I am glad to.

Mr. McNARY. The senior Senator from Minnesota [Mr. SHIPSTEAD] is much interested in early consideration of this nomination, and on his request I am going to make inquiry if it will not be agreeable to the Senator from Wisconsin to consider the matter at the first executive session in December?

Mr. BLAINE. I am perfectly willing.

Mr. McNARY. Very well. With that understanding—

Mr. NORRIS. Mr. President, I would like to call the attention of Senators to the fact that the nomination would have to be made again.

Mr. BLAINE. May I suggest to the Senator from Nebraska that the postmaster has been holding over after the expiration of his term for nearly two and a half years?

Mr. NORRIS. I am not making any objection. I am just suggesting that the present nomination will not be before us at the next session.

The VICE PRESIDENT. The Senator from Nebraska is correct, that if the nomination is not confirmed, the papers must go back to the President.

Mr. REED. Mr. President, if I may make a suggestion, the only reason the matter would have to go back to the President is because of a Senate rule, which can be suspended by unanimous consent. If that is not done, it will be impossible, except by unanimous consent, to consider the nomination at the first executive session in December.

Mr. McKELLAR. I hope there will not be a request for unanimous consent, because this is a very unusual case, and there are many charges. I hope that no request for unanimous consent will be made.

Mr. NORRIS. Mr. President, I have no objection whatever to this nomination going over. I am not anxious to have it taken up at all. But I would object, even if it could be brought about by unanimous consent, which I doubt, to the suggestion made by the Senator from Pennsylvania. I do not see how we can confirm this nomination anyway, with the opposition there is.

Mr. BLAINE. Mr. President, if the nomination is again sent to the Senate, I will be perfectly willing to take the matter up and dispose of it at the first executive session in December.

Mr. SCHALL. Mr. President, I have just come into the Chamber. Is not this matter to be thrashed out now?

The VICE PRESIDENT. Request has been made that the matter be passed over, and the Senator from Wisconsin [Mr. BLAINE] has suggested that if the nomination is made

again it may be taken up at the first executive session in December.

Mr. SCHALL. Are we to have an executive session to-morrow?

Mr. McNARY. Mr. President, I tried to answer that question a few moments ago. It is somewhat indefinite, but if there is any strong reason for it, we will have an executive session.

Mr. SCHALL. I would like to have this matter disposed of.

The VICE PRESIDENT. The nomination will go over for to-day.

Mr. SCHALL. Can we not have an understanding that it will be taken up to-morrow?

Mr. SHIPSTEAD. Mr. President, at the last executive session I stated that I would move to-day to take the matter up. If there is any possibility of getting the matter disposed of, I would like to have it done to-day. I understand the Senator from Wisconsin would like to discuss the case, as he has a right to do, and I do not want to shut him off from having ample time to discuss it, but it seems to me we ought to be able to dispose of it at this session, if the Senate is so inclined, even if it leads to some extended debate.

I realize full well how tired Senators are, and that they would not like to stay longer this evening, but I do not know when we are to adjourn finally. If there will be time to dispose of it to-morrow, very well. I do not like to make the motion to proceed to consider the matter unless the Senate feels that they want to do it.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. SHIPSTEAD. Certainly.

Mr. NORRIS. As I said before, I have no interest in the matter, but this man is now holding the office, he is holding over, it would be no detriment to him if it should go over, and there would be no great damage done, because he would still be holding the office. It is true that when we convene in December the President would have to send his name in again, would have to renominate him, but in the meantime he would be acting as postmaster, so there is no very great damage to him if he is finally confirmed, because it means a longer term for him than though he were confirmed now.

Mr. MOSES. Mr. President, the Senator from Nebraska is quite right about that. He would get a commission for four years.

I would say for the benefit of the Senator from Minnesota that in my opinion the parliamentary situation is such that, the nomination being on the calendar, it is automatically before us, and it will require a motion or unanimous consent to send it over. The Senator from Minnesota, if he wishes to go on with it to-day, can do so in the absence of any affirmative action to the contrary by the Senate.

Mr. McNARY. Mr. President, I ask unanimous consent that the nomination go over until December, to be considered at the first executive session in December.

Mr. SHIPSTEAD. Very well.

Mr. SCHALL. Mr. President, I object to the nomination going over.

The VICE PRESIDENT. The junior Senator from Minnesota objects. The question is on the confirmation of the nomination.

Mr. BLAINE. Mr. President, it is 6 o'clock. I assumed that the matter would not be taken up to-day. I have sent to my office for my records, and I have also sent to the Committee on Post Offices and Post Roads for certain records which are in the possession of the committee. I do not like to weary the Senate with any long discussion of the matter from memory. I would much prefer to state the facts from the record, because it is purely a question of record.

Mr. McNARY. Mr. President, let me suggest to the able Senator that I think the nomination might go over until to-morrow. I think some agreement may be reached then.

Mr. BLAINE. Mr. President, I think I ought, in good conscience, to advise the Senator that I expect to leave Washington before that session could be held. I do not want to leave without giving the Senator that information.

Mr. McKELLAR. Mr. President, while the Senator from Wisconsin is waiting for his papers, could we not dispose of the rest of the calendar?

Mr. BLAINE. It is a question of how long the Senate desires to continue in session this afternoon.

Mr. McKELLAR. If we can dispose of the other matters, we shall conclude our business for the afternoon just that much earlier.

The VICE PRESIDENT. Without objection, the St. Paul nomination will be passed over temporarily and the clerk will state the next business on the calendar.

#### POSTMASTERS

The Chief Clerk read the nomination of Doyle M. England to be postmaster at New Tazewell, Tenn.

Mr. McKELLAR. Mr. President, I ask that the nomination go over until to-morrow.

The VICE PRESIDENT. The nomination will be passed over.

The Chief Clerk read the nomination of John D. Fatherree to be postmaster at Hebronville, Tex.

Mr. CONNALLY. Mr. President, I ask that that nomination go over.

The VICE PRESIDENT. The nomination will be passed over.

#### CUSTOMS SERVICE

The Chief Clerk read the nomination of Fred A. Bradley to be collector of customs at Buffalo, N. Y.

Mr. KING. Mr. President, I ask that the nomination go over.

Mr. COUZENS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. COUZENS. What will be the status of Fred A. Bradley if action is not taken at this session of Congress? Would he continue to serve?

The VICE PRESIDENT. The nomination would expire and papers will have to go back to the President.

Mr. COUZENS. But does he continue to serve between now and the 1st of December if the President so desires?

The VICE PRESIDENT. That is for the President to determine. If the nominee is in office he would probably continue to serve, but the Chair does not care to pass final judgment on that point. The Chair is of the opinion, however, that if he is in office he would continue to serve. At the request of the Senator from Utah the nomination goes over.

#### DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nominations of William W. Butterworth, jr., Lewis Clark, and Paul W. Meyer to be secretaries in the Diplomatic Service.

The VICE PRESIDENT. Without objection, the nominations are confirmed.

#### POSTMASTERS

The Chief Clerk read sundry nominations of postmasters.

Mr. GEORGE. Mr. President, I ask that calendar No. 5029, the nomination of Louis P. Cross, to be postmaster at Clayton, Ga., be passed over until to-morrow.

The VICE PRESIDENT. Without objection, the nomination will be passed over until to-morrow.

Mr. HEBERT. Mr. President, I ask that all nominations of postmasters, except the one nomination in Georgia just passed over, may be confirmed en bloc.

The VICE PRESIDENT. Without objection, it is so ordered.

#### EXCLUSION OF ALIEN COMMUNISTS

Mr. TRAMMELL. Mr. President, while the matter of the postmaster at St. Paul is pending and the Senator from Wisconsin [Mr. BLAINE] is waiting for his papers, I want to make reference to a legislative matter upon the calendar. Calendar No. 865, the bill (H. R. 12044) to provide for the exclusion and expulsion of alien communists, was passed by the House, came to the Senate, and was referred to the Committee on Immigration, and on June 11 was reported back to the Senate favorably and without amendment. In other words, the bill has been on the cal-



endar of the Senate since June 11. I think it is a very important piece of legislation and I do not know why it has not been brought up by the chairman of the Committee on Immigration [Mr. HATFIELD]. I would like very much to see the legislation disposed of before the adjournment of this session of the Senate.

Mr. HATFIELD. Mr. President, I agree with the Senator from Florida that this is an important bill, but its consideration has been objected to every time we have had a call of the calendar. I should be very glad to join with the distinguished Senator from Florida to-morrow, or any time when we are in legislative session, in pressing a motion to take the bill from the calendar and to give it immediate consideration.

Mr. TRAMMELL. I thank the Senator. I hope we will have an opportunity to-morrow to take up the bill and dispose of it. It should be disposed of.

Mr. KING. Mr. President, a point of order. I understand we are in executive session.

Mr. TRAMMELL. Mr. President, I do not yield to the Senator from Utah.

Mr. ASHURST. Mr. President, will the Senator from Florida yield to me?

Mr. NORRIS. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state the point of order.

Mr. NORRIS. We are in executive session and engaged in a call of the executive calendar. Why do we not proceed?

The VICE PRESIDENT. Executive business must be considered if there is objection to the Senator from Florida proceeding.

Mr. McNARY. I object.

The VICE PRESIDENT. Objection is made.

Mr. ASHURST. Mr. President, the Senator from Florida [Mr. TRAMMELL] has performed a distinct valuable public service in directing attention to the fact that the Senate should not adjourn unless and until it shall have passed the bill providing for the deportation of criminal aliens who are unlawfully in the United States. I congratulate the Senator from Florida upon his courage in the matter. At this time, too, before I resume my seat, I wish to congratulate the Senator from West Virginia [Mr. HATFIELD], the chairman of the Committee on Immigration, who reported the bill favorably. I conclude by saying that our country does not need the presence of criminal aliens who are here unlawfully. Let us hope that to-morrow the Senate will not adjourn until it shall have passed the bill.

CHARLES J. MOOS

Mr. McNARY. Mr. President, I have conferred with the junior Senator from Minnesota [Mr. SCHALL] who has consented to withdraw his objection to the nomination of the St. Paul postmaster going over until December. Therefore I ask unanimous consent that the nomination of Mr. Moos may go over until December, to be acted on at the first executive session in December.

The VICE PRESIDENT. The Chair announced before that when the Senate adjourns the papers must be returned to the President. That action could not be taken until the President sends in the nomination again.

Mr. McNARY. By unanimous consent it can be done. That is only done by virtue of a rule of the Senate.

The VICE PRESIDENT. The rule can be suspended by unanimous consent.

Mr. McNARY. That is what I am asking to have done.

The VICE PRESIDENT. The Senator from Nebraska [Mr. NORRIS] gave notice that he would object to that proceeding.

Mr. NORRIS. Mr. President, I object to a suspension of the rule. I do not think there is going to be any practical difficulty about the matter, but if we are going to start in now to grant unanimous consent to take up matters at a subsequent session of the Senate, we ought to act under the rule. If we adjourn for more than 30 days the nomination automatically goes back to the President. I do not want to establish that kind of a precedent, and particularly in this

case, in which I again say I have no interest. The nominee is holding the office now and to delay it does not involve any damage to him.

The VICE PRESIDENT. On objection, the nomination will be passed over until to-morrow.

Mr. BLAINE. Mr. President, I desire to renew my statement that if the papers are returned to the President and the nomination is renewed, I shall be willing to take up the matter without any obstructive tactics at the first executive session in December.

#### NOTIFICATION TO THE PRESIDENT

Mr. McNARY. Mr. President, I ask unanimous consent that the President be notified of the confirmations made to-day.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the President will be notified.

The Senate resumed legislative session.

#### RECESS

Mr. McNARY. I move that the Senate take a recess until 10 o'clock to-morrow morning.

The motion was agreed to; and the Senate (at 6 o'clock and 10 minutes p. m.) took a recess until to-morrow, Saturday, July 16, 1932, at 10 o'clock a. m.

#### NOMINATIONS

*Executive nominations received by the Senate July 15 (legislative day of July 11), 1932*

##### APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY TO FIELD ARTILLERY

Second Lieut. John Kauffman Bryan, Infantry, with rank from June 13, 1929.

##### TO AIR CORPS

Second Lieut. Russell Alger Wilson, Signal Corps (detached in Air Corps), with rank from June 9, 1928.

##### PROMOTIONS IN THE REGULAR ARMY INFANTRY

###### To be first lieutenant

Second Lieut. William Preston Grace, jr., Infantry, from July 9, 1932.

##### MEDICAL CORPS

###### To be lieutenant colonel

Major Luther Raymond Poust, Medical Corps, from July 8, 1932.

#### CONFIRMATIONS

*Executive nominations confirmed by the Senate July 15 (legislative day of July 11), 1932*

##### SECRETARIES IN THE DIPLOMATIC SERVICE

William W. Butterworth, jr., to be secretary in the Diplomatic Service.

Lewis Clark to be secretary in the Diplomatic Service.

Paul W. Meyer to be secretary in the Diplomatic Service.

##### APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY

##### TO FIELD ARTILLERY

Second Lieut. John Kauffman Bryan.

##### TO AIR CORPS

Second Lieut. Russell Alger Wilson.

##### APPOINTMENTS BY PROMOTION IN THE REGULAR ARMY

##### INFANTRY

###### To be first lieutenant

Second Lieut. William Preston Grace, jr.

##### MEDICAL CORPS

###### To be lieutenant colonel

Maj. Luther Raymond Poust.

##### POSTMASTERS

##### ILLINOIS

Orlie E. Carter, Ipava.

##### INDIANA

Paul Buroker, Montpelier.

## KENTUCKY

Calvin H. Cash, Big Clifty.  
Mildred Ramage, Hickman.  
Grant North, Hustonville.

## MAINE

Philip B. Seavey, Sherman Mills.

## MARYLAND

Samuel L. Bickling, Greensboro.

## MICHIGAN

Clarence J. Fuller, Fowlerville.

## MINNESOTA

William G. Early, Eyota.  
Lillian F. Sandin, Grandy.  
Ruth P. Harris, Maynard.  
Ralph G. Hosfield, Medford.  
Alice J. Pelland, Northome.

## MISSISSIPPI

Walter G. Gearhart, Bolton.

## NEBRASKA

Bessie Freed, Pender.

## NEW JERSEY

Forrest Green, Long Branch.

## NEW YORK

Mollie Feldman, East White Plains.

## OHIO

Louis A. Schuesselin, Pleasant Hill.  
Russel A. Medaugh, Spencerville.

## OKLAHOMA

Marion D. Woodworth, Kingfisher.  
Bert Redmon, Sallisaw.

## PENNSYLVANIA

Edward J. Monroe, Frackville.  
Thomas V. Partridge, Houtzdale.  
Herbert C. Noakes, Mahanoy City.  
S. Charles McClellan, Mifflin.  
Howard C. Emigh, Morrisdale.  
Oscar F. Sutcliffe, Somerset.

## RHODE ISLAND

Edgar E. Matteson, Apponaug.

## WEST VIRGINIA

D. Alton Jackson, Rowlesburg.

## HOUSE OF REPRESENTATIVES

FRIDAY, JULY 15, 1932

The House met at 12 o'clock noon.

The Rev. David Campbell Mayers, of the Episcopal Church of Middleburg, Va., offered the following prayer:

Almighty God and Heavenly Father, who hast given us this good land for our heritage, fill our hearts, we pray Thee, with a true sense of gratitude, and help us to realize our responsibility for its happiness and welfare at home, its honor and usefulness abroad.

We beseech Thy continual favor and guidance to those who have been chosen as the counselors and leaders of this Nation. Give to them such clearness of vision, such ripeness of judgment, such resoluteness of purpose that they may ever perform the duties of their high office without fear or favor of any man.

In the day of national perplexity and distress make them to put their whole trust and confidence in Thee, who wilt give wisdom and understanding for every problem of government.

When the needy cry for help, when the oppressed demand justice, when the unemployed seek for labor, when the doubtful and hesitant look for constructive leadership, raise up Thy power in these men and come among us through them, and with great might succor us in the day of our necessity.

O Lord, how great is this task. How serious is this responsibility. Guide this House of Representatives by Thy Holy Spirit, so that all things may be settled by their endeavors upon the best and surest foundations, that peace and happiness, truth and justice, religion and piety may be established among us for all generations.

From ocean to ocean and from border to border bring together as one happy people those who have come hither from many lands; and give to America, our common country, that real wealth which comes from contentment and that true prosperity which is the fruit of righteousness, so that all the world may say, "Happy is that people that is in such a case; yea, happy is that people whose God is the Lord."

All which we humbly ask in the name of Jesus Christ, our most blessed Lord and Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Crockett, its Chief Clerk, announced that the Senate had passed without amendment a bill and joint resolutions of the House of the following titles:

H. R. 12281. An act to encourage the mining of coal adjacent to the Alaska Railroad in the Territory of Alaska, and for other purposes;

H. J. Res. 473. Joint resolution to amend the public resolution entitled "Joint resolution making an appropriation to provide transportation to their homes for veterans of the World War temporarily quartered in the District of Columbia," approved July 8, 1932;

H. J. Res. 474. Joint resolution making available as of July 1, 1932, the appropriations contained in the regular annual appropriation acts for the fiscal year 1933 for the Departments of Agriculture, Post Office, Treasury, and War, and ratifying obligations incurred in anticipation thereof; and

H. J. Res. 475. Joint resolution making an appropriation for the payment of pages for the Senate and House of Representatives from July 16 to July 25, 1932.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9642) entitled "An act to authorize supplemental appropriations for emergency highway construction, with a view to increasing employment."

The message also announced that the Senate insists upon its disagreement to the amendment of the House to the amendment of the Senate No. 1 to the bill (H. R. 9642) to authorize supplemental appropriations for emergency highway construction with a view to increasing employment.

That the Senate further insists upon its amendments Nos. 1 and 2 to said bill, asks a further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. NORBECK, Mr. BROOKHART, Mr. GOLDSBOROUGH, Mr. GLASS, and Mr. WAGNER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 4976. An act granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the South Fork, Forked Deer River, on the Milan-Brownsville Road, State Highway No. 76, near the Haywood-Crockett County line, Tennessee; and

S. J. Res. 206. Joint resolution making available to the Banking and Currency Committee of the Senate certain information in the possession of the Treasury Department and the Bureau of Internal Revenue.

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 4574) entitled "An act to extend the provisions of the national bank act to the Virgin Islands of the United States, and for other purposes."